

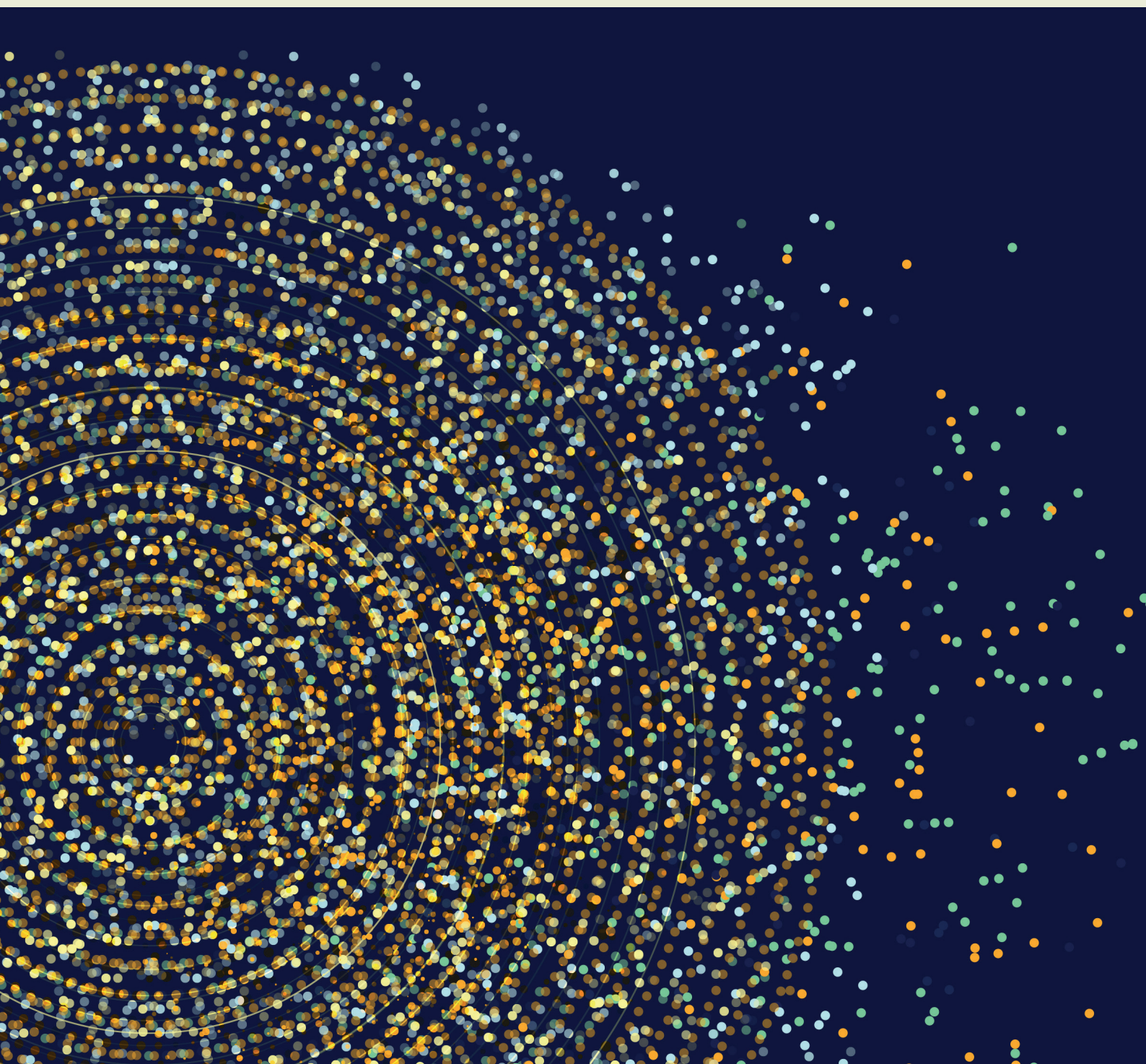
Insight Paper 5:

# The Tech for Good Opportunities Index

2025

Key global hotspots for tech-ready healthcare real assets

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# Designing for Innovation:

## Making Healthcare Real Estate Tech-Ready



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### WHY DOES HEALTHCARE REAL ESTATE NEED TO CHANGE?

Healthcare systems worldwide are facing mounting pressures: ageing populations, stretched budgets, workforce shortages and growing patient demand. These challenges affect the full spectrum of facilities - from hospitals and GP surgeries to care homes, mental health units and special education settings. As pressure grows, space, staff and funding remain limited.

To ease the burden and improve care delivery, many providers are turning to technology. Telehealth, smart sensors, AI-assisted diagnostics and digital care platforms offer new ways to deliver faster, more personalised and connected care. Crucially, these innovations are also changing the physical environment in which care takes place.

Traditional, single-purpose facilities are no longer fit for this

dynamic, tech-enabled model of care. Spaces must now support constant digital interaction, flexible use and a robust digital backbone – including strong connectivity, secure power, layout adaptability and cybersecurity infrastructure.

For landlords, investors and developers, this shift represents both a challenge and a growing opportunity.

## What makes a healthcare building tech-ready? The Checklist

Key features investors, developers and landlords should look for – or plan to deliver.



1

### Connected infrastructure

The digital backbone – secure internet, resilient power and data systems that talk to each other.



2

### Smart systems

Automated lighting, air, energy and safety systems that adapt in real time to clinical needs.



3

### Cybersecurity by design

Built-in protection for patient data and critical systems – both digital and physical.



4

### Flexible layouts

Spaces designed to adapt – from robotic surgery today to virtual care tomorrow.



5

### Sustainability & ESG alignment

Low-carbon, inclusive and compliant – built for long-term value and regulatory confidence.

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**“Healthcare systems worldwide are facing mounting pressures: ageing populations, stretched budgets, workforce shortages and growing patient demand.”**

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#### **WHY TECH-READINESS MATTERS FOR REAL ESTATE**

As healthcare becomes increasingly digital, demand is shifting decisively towards buildings that can support connected care. Occupiers are prioritising properties equipped for telehealth, virtual diagnostics, smart systems and seamless digital workflows – and many are willing to pay a premium for spaces that deliver.

Tech-ready facilities tend to attract stronger tenants, command longer leases and offer greater resilience. Buildings with integrated connectivity and digital infrastructure – so-called “plug-and-play” spaces – enable faster setup, fewer delays and smoother operations for healthcare providers.

They also deliver operational upside. Smart systems for HVAC, lighting, energy use and predictive maintenance can cut costs, reduce disruption and improve sustainability credentials – all of which support stronger ESG performance and appeal to institutional investors.

The patient experience improves too. Digital check-ins, connected waiting areas and virtual care rooms reduce perceived wait times and increase satisfaction, helping boost loyalty and throughput.

In short, tech readiness multiplies value, efficiency and resilience. For real estate investors, landlords and operators, understanding and enabling digital care is a future-proofing essential.



**MARK GROSS**  
PARTNER, HEAD OF PRIVATE EQUITY – DOWNING

Technology adoption in healthcare real estate has been slow due to market fragmentation, limited capital and other operational pressures from staffing to the complexity of regulatory compliance. Many operators lack the bandwidth or confidence to implement change, often waiting for larger peers to lead. But momentum is building. For some, finding efficiencies is

now a matter of survival. A younger workforce increasingly expect and prefer digital tools like electronic rotas and care plans. Regulators are becoming more accepting of digital evidence, proven solutions are emerging and institutional investors and consolidating operators are bringing the capability and urgency to drive real transformation.

#### **RISKS AND REALITIES: BARRIERS TO TECH ADOPTION**

While the potential is clear, delivering tech-enabled care environments is not without obstacles.

In many markets, infrastructure remains fragmented. Records may be siloed, devices may not connect and data struggles to move between teams, systems or sites. Interoperability remains an ambition more than a reality.

Cost is another major constraint. Upgrading legacy systems, training staff and maintaining secure digital infrastructure all require sustained investment – something that is often in short supply, particularly in the public sector. Even when funding is available, installation can be disruptive, especially in live clinical settings where downtime is not an option.

Cybersecurity adds further complexity. As buildings become more connected, they also become more exposed. Ensuring secure networks, firewalls, backups and physical safeguards is essential. While design plays a role, so does ongoing investment in security and staff readiness.

There is also a human dimension. New technology only works when people are ready and willing to use it – poorly implemented tools or those not aligned with clinical workflows risk being underused or resisted. Adoption takes time, and success depends as much on culture and training.

Finally, what happens outside the building matters, too. National infrastructure, regulation and policy all shape whether technologies can function at scale. For example, Norway’s success with telehealth didn’t come from facilities alone – sustained reforms in interoperability and reimbursement supported it.

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# Knight Frank Tech for Good Index

While the need for digitally-enabled care is global, the readiness to deliver it varies widely. Knight Frank's Tech for Good Opportunities Index identifies the countries best

positioned to support the next wave of tech-enabled healthcare real estate investment – where rising healthcare demand meets digital maturity and real estate opportunity.

Built using a strategic, data-led approach, the Index scores markets across four key themes: demand, system readiness, real estate activity and spending capacity.

## The methodology

### A DATA-LED VIEW OF GLOBAL HEALTHCARE REAL ESTATE POTENTIAL

We scored each country across four key themes, using 18 metrics from globally recognised data sources. A strategic weighting system ensures the index reflects real-world investment potential, not just size or wealth.



#### DEMAND

Where healthcare needs are growing fastest

**Total weighting:** 32%

**Metrics include:** population growth, ageing and risk of premature death

**Top scorers:** Ethiopia, Jordan, Colombia, Sudan, Albania

**Why?** Emerging markets with rising healthcare burdens and under-served populations



#### READINESS

How well systems can scale tech-enabled care

**Total weighting:** 34%

**Metrics include:** infrastructure quality, digital health policies, workforce capacity

**Top scorers:** Saudi Arabia, Singapore, UAE, Brazil, France

**Why?** Strong digital governance, healthcare investment and pro-innovation policy



#### REAL ESTATE ACTIVITY

Where capital and development are already flowing

**Total weighting:** 14%

**Metrics include:** construction pipelines, smart infrastructure adoption, investor activity

**Top scorers:** US, UK, France, Germany, Australia

**Why?** Mature markets with active development and growing smart facility integration



#### SPENDING CAPACITY ACTIVITY

Who has the means to fund smart healthcare infrastructure

**Total weighting:** 20%

**Metrics include:** public and private health spend per capita, GDP

**Top scorers:** US, Singapore, Panama, Canada, Australia

**Why?** High-income countries with strong healthcare investment ecosystems

### WHY WEIGHTING MATTERS

To avoid skew from any single factor (like GDP), we applied strategic weightings across the themes. This creates a more balanced view of opportunity - highlighting not just wealth, but the right conditions for sustainable, tech-enabled real estate growth.

**The result:** a targeted, actionable index spotlighting the most investable locations for next-generation healthcare infrastructure.

### UNDERSTANDING ANOMALIES: WHY CONTEXT MATTERS

Not all high scores tell the full story. Some countries rank strongly in a single category but don't lead overall.

- **Brazil**, for example, scores highly on Readiness due to strong digital health policies and urban infrastructure – but regional disparities limit its nationwide scalability.
- **Panama** performs well on Spending Capacity, thanks to high per-capita GDP and medical tourism, but its small size and concentrated health access reduce its broader investment potential.

These outliers show why context and balance matter. Our index applies strategic weightings to avoid distortions from wealth or single-metric performance – helping investors identify well-rounded, high-potential markets.

# Investing Ahead:

## Top 10 locations for tech-led healthcare-focused real estate investment

Our Tech for Good Opportunities Index results reveal a top 10 dominated by innovation-led, well-governed countries with strong healthcare infrastructure and rising demand. Markets like Singapore, Canada and Switzerland stand out for their readiness to integrate technology into healthcare delivery, supported by robust policy frameworks,

financial capacity and demographic trends. The presence of both mature (Australia, Netherlands, Norway) and emerging transformation markets (Saudi Arabia) suggests a global shift toward tech-supported care models.

Taking this further in the context of healthcare-focused real estate investors, this presents an opportunity to deploy

capital into future-proofed assets, like smart hospitals, outpatient hubs and digital health campuses in locations where demand is growing, governments are enabling and operators are evolving. The Index not only maps where opportunity lies today but also where the future of healthcare, in the right strategic hands, can be built.

### CANADA

Strong across governance and universal health access with a growing elderly population and a steady public health investment profile. Canada's balanced health system and demographic trends support long-term demand for tech-enabled eldercare and outpatient facilities.

### DENMARK

Strong in governance, universal health access and a forward-thinking healthcare policy framework. Denmark's innovation ecosystem and proactive health policies support scalable health-tech real estate ventures focused on preventive and chronic care.

### NETHERLANDS

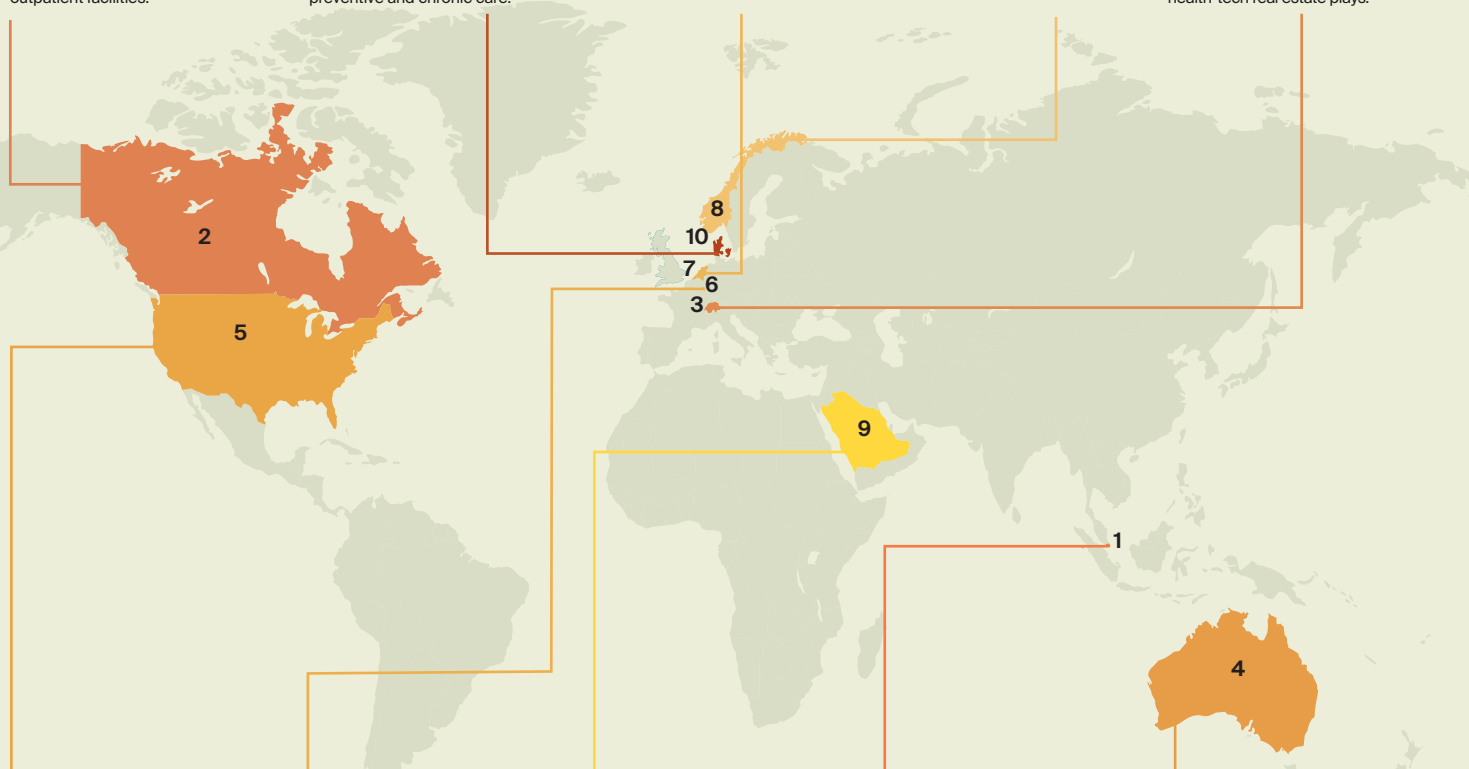
High readiness scores, particularly in health workforce and policy compliance, plus strong government health spending. A mature health system with digital transformation momentum positions the Netherlands well for smart care facility expansion.

### NORWAY

Strong on governance, universal coverage and public health investment, with a moderately ageing population. Norway's welfare-backed spending ensures long-term viability for public-private healthcare partnerships in real estate tech.

### SWITZERLAND

High private health expenditure, robust infrastructure and strong GDP per capita bolster its position despite slightly lower hospital readiness. A wealthy, health-conscious population with substantial private spending makes Switzerland ideal for premium health-tech real estate plays.



### UNITED STATES

Substantial private health expenditure and number of smart hospitals offset moderate scores in health governance and NCD mortality. A massive healthcare market with fragmented delivery offers significant potential for scalable health-tech real estate, especially in high-growth urban centres.

### LUXEMBOURG

Exceptional scores in universal health coverage, GDP per capita and governance with strong demand-side metrics. Small but wealthy, Luxembourg offers a stable, innovation-friendly environment for high-end, tech-driven healthcare developments.

### SAUDI ARABIA

Leading in hospital and infrastructure transactions, with ambitious national health reforms and a youthful but rapidly ageing population. Aggressive modernisation and privatisation efforts make Saudi Arabia a top emerging market for digital health campuses and smart clinics.

### SINGAPORE

Singapore leads with near-perfect leadership, policy and universal coverage scores, supported by significant private health expenditure and smart hospital infrastructure. High-tech readiness, strategic governance and a rapidly ageing population make Singapore a strong bet for real estate investments in healthcare technology hubs.

### AUSTRALIA

High scores in smart hospitals, legislation and demand indicators, including ageing and population growth. Population growth and an ageing demographic create suburban and regional health-tech infrastructure opportunities.



The Tech in Healthcare Real Estate Opportunities Index highlights a compelling investment opportunity driven by the convergence of ageing populations, robust healthcare systems and rapid technological adoption. Top-ranked countries like Singapore, Canada and Switzerland demonstrate strong governance, infrastructure and readiness for private sector participation. For investors, this signals growing demand for tech-enabled healthcare facilities – such as smart hospitals and outpatient hubs – that can enhance care delivery and long-term asset value. As technology boosts efficiency and output for healthcare operators worldwide, the real estate supporting these advancements becomes increasingly vital, offering resilience, scalability and strong future returns.



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The Middle East health tech sector is accelerating, anchored by the UAE's innovation-driven ecosystem and Saudi Arabia's Vision 2030 digital transformation agenda. The Saudi government has allocated over SAR 214 billion to healthcare and social development in 2024, up from SAR 167 billion in 2020, reflecting a 6.4% CAGR. With market growth in the UAE projected to reach USD 2.65 billion by 2030 and KSA's health tech sector expanding at over 25% CAGR, platforms like Seha Virtual Hospital, Sehhaty, and AI tools such as EyenAI are redefining care through telemedicine, predictive analytics, and interoperable data exchange. For innovators and investors, the region offers a compelling opportunity to deliver scalable, compliant and patient-centred digital health solutions aligned with national priorities.



The Australian medtech sector continues to gather momentum, with recent increases in both Federal and State Government interest in supporting innovation in the sector, such as Queensland's \$180m Sovereign Industry Development Fund, a positive step towards bridging the commercialisation gap. Leading concepts such as the BiVACOR Total Artificial Heart under development in the Lumina precinct on the Gold Coast, have recently undergone their first patient trials and are a shining example of the output potential of our domestic health and innovation precincts.

The adoption of healthtech continues to increase as healthcare providers progressively digitise their services, attracting global PE firms and investors and driving further M&A activity in the sector. This has a positive impact not only on the improvement in delivery of care and patient outcomes, however also encouraging further innovation, attracting capital and driving demand for space in our life science and innovation precincts.



**SAM BIGGINS**  
PARTNER, HEALTHCARE & LIFE  
SCIENCES – KNIGHT FRANK  
AUSTRALIA

# So, are your healthcare buildings Tech-Ready?

Five key questions to ask about your healthcare asset:



1

## Can it connect?

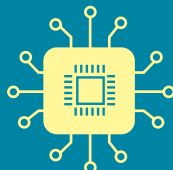
Is the digital backbone in place – fast, secure internet, resilient power and reliable data infrastructure?



2

## Can it adapt?

Are the layouts and systems flexible enough to support changing care models, new technologies and different clinical needs?



3

## Is it smart?

Do your facilities use automation, sensors or command centres to improve efficiency, safety and comfort?



4

## Is it secure?

Is your building designed to protect sensitive data, medical devices and critical systems from cyber risks?



5

## Is it sustainable?

Does it align with ESG goals – from energy use and accessibility to governance and long-term resilience?

### Recent research



Healthcare Capital Markets 2025



Quantifying Technology In Real Estate Spring 2025



Healthcare Development Opportunities Report 2025

We like questions. If you've got one about our research, or would like some property advice, we would love to hear from you.



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