

Retirement Living





Tom Scaife
MRICS

Partner, Retirement Living

The retirement living sector is migrating from 'niche' to specialist mainstream as we see considerable activity from investors, developers and consumers across the range of products in the market including 'over +55s' retirement housing, housing with care and assisted living.

Today the retirement market is estimated to have a GDV of £28bn, and we only see that figure growing over the years to come.

We have been at the forefront of promoting the sector and whilst we continue to do so, we look forward to working with you to fulfill your goals.

'Knight Frank is the leading advisor to the UK retirement market. They have assisted us to grow our business through a number of re-financing exercises and acquisitions. Their research capabilities and bespoke consultancy is really at the top of their game.'

Nick Sanderson
CEO, Audley Retirement



Adding value to the global property market since 1896.

What We Do

At Knight Frank we provide a full range of services to the retirement living sector from development consultancy through to new homes agency and investments.

We are proud of our depth of knowledge gathered from our active role in many of the key transactions and valuation mandates in the market.

We take a highly collaborative approach drawing on the depth of global resources in Knight Frank across Research, Healthcare, Capital Markets and our sales and lettings offices across the UK.

Our collaborative approach across our multi-disciplinary business means we have a thorough understanding of the key buyers and sellers, what drives their requirements and how their investment processes work.

Our expertise includes

- Market Research
- Demographic and Demand Reports
- Valuations
- Development Consultancy
- Feasibility Studies
- Acquisitions & Disposals of Land
- Asset/Trading Appraisals/Business Analysis
- New Homes Sales and Rentals
- Investments

'We consider Knight Frank's retirement housing consultancy to be at the forefront of advice to the sector. They have added value to our business in a number of ways including bespoke research to drill down into local demand and supply dynamics, scheme optimisation, and acquisition services to grow our pipeline of sites. The team comes highly recommended.'

Gavin Stein
Chief Executive Officer, Elysian Residences





Committed to professional excellence and confidentiality.

Market Overview

There is now some long overdue traction in the retirement living sector. The clutch of deals seen in 2017 including Inspiring Villages and Renaissance being acquired by L&G, AXA's acquisition of Retirement Villages and Audley's move into Clapham in Central London (as well as their latest successful fund raising) have all made headlines in the property sector.

The narrative is changing too. Everyone now understands the demographic trends that are set to drive growth in the sector, and that there is a cast-iron case for building the homes of the highest possible standard.

We are now seeing a more in depth approach on delivery: investors looking at different products, tenure mixes, and carrying out a thorough assessment across all sectors of the market. This will inevitably result in a more diversified offering.

Inevitably, as with any industry, there are lessons to be learned on the way – from how to get the right balance of care

and lifestyle in a scheme to how to respond to the micro-markets within specific localities.

We are drilling down into data in even more detail in order to present the most complete picture of tenure trends and retirement housing fundamentals. This way, we can share the latest insight into retirement living, care homes and later living rental markets to clients.

We are also working within the wider industry to help define the language of the retirement housing sector, and to promote understanding of this type of housing more widely. We then wait with hope that some of the policy issues which still hold back progress in the sector will be resolved – these include lack of clarity around planning and uncertain Section 106 requirements.

What is absolutely clear, however, is that the sector is now firmly out of the blocks, and has the potential to respond to increasingly eager investors and consumers.

'The team at Knight Frank has an unrivalled depth of knowledge in the prime London later living market. Their joined up approach and lateral thinking has really added value to our business model ensuring we maximise the potential of our land acquisitions.'

Johnny Sandelson
Co-founder, Auriens

Valuation & Consultancy

Our highly experienced team can guide and advise you in respect of the valuation of retirement housing, housing with care and assisted living.

The sector is slowly maturing and the approaches to valuation are evolving.

We are at the forefront of the sector with our highly experienced valuers having a strong understanding of the unique aspects relating to the valuation of this sector.

Red Book Valuations for Secured Lending

Financial Reporting

Development Consultancy

Long Term Income Appraisals

Feasibility Studies

Market Insight Reports

Demographic and Demand Studies





Land Agency

We act for vendors and purchasers of land for retirement living offering a bespoke service for our clients, ensuring that all the aspects are dealt with quickly, efficiently and on the very best terms for our clients.

We work closely with your professional teams ensuring that any such transaction proceeds to a swift and successful conclusion.

We have achieved exceptional results for our clients with our bespoke approach to land agency.

Sale of Land With and Without Planning Permission

Funding Partners

Operator Selection

Joint Venture Arrangements

Promotion Agreements

Option Agreements

New Homes Agency & Consultancy

As a firm we have over 20 years' experience selling new homes – with tailored joined up approaches with on-site sales, local offices, head office support and a truly global international network.

We can provide a full range of retirement new homes development consultancy and agency.

As we work with the sector's best operators you can be assured of high specifications, outstanding workmanship and great after sales care.

Layout and Specification Optimisation

Service and Management Charge Advice

Tailored Marketing Exercises

Retirement New Homes Sales

Retirement Rentals





Investments

We provide specialist and market-leading advice to investors and developers across the UK, leading the way in the Private Rented Sector's foremost emerging market.

Using our wider knowledge from the Private Rented Sector we are well placed to advise the emerging retirement rental market.

Forward Funding Transactions

Equity Raising

Joint Venture Transactions

Specialist Design Advice for Rental Product

Turn-Key Rental Investment

Financial Appraisal and Cash Flow Analysis

Case Studies

Property: Nightingale Place, Clapham, SW4
Vendor: Metropolitan Police Service
Scheme: 94 Retirement Housing Apartments
Service: Land Agency

Originally a vacant office building, we packaged the opportunity with a detailed sales pack that identified and explained the development potential for retirement housing, conducted a regional wide marketing exercise and concluded a sale for c. £30million per acre.



Property: Portfolio of Retirement Schemes
Price: Confidential
Service: Valuation of 500+ Apartments
Funder: AIG

We have specialist retirement living valuers with a long track record of providing advice for a range of purposes including secured lending, accounts, acquisitions, and decision making. Here we provided Red Book valuation advice on a portfolio of in excess of 500 retirement apartments for a debt refinancing transaction.



Property: 2 Dovehouse Street, Chelsea, SW3
Vendor: Royal Borough of Kensington & Chelsea
Scheme: 55 Later Living Apartments
Purchaser: Auriens

We added significant value to this land opportunity advising the client a sale capturing premium and long term income from a retirement Living scheme that would realise highest capital receipt. We packaged the opportunity giving clarity on development potential and planning risk, conducted a far reaching marketing exercise and sold a long leasehold interest for c. £100million per acre – a record price in the UK for the sector.

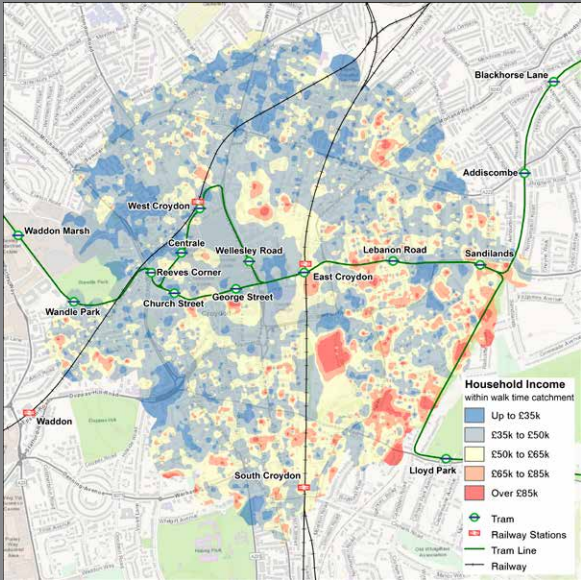
Property: Portfolio of Retirement Schemes
Vendor: Richmond Villages
Purchaser: BUPA
Price: Confidential

Through our research department we can provide detailed statistical data to accurately value the development, operations and care elements to retirement living businesses. Here we supported the acquisition and funding for BUPA acquiring Richmond Villages with in depth research and valuations.

Case Studies

Property: Proposed Mayfield Villages
Scheme: 250 Retirement Apartments
Service: Valuation
Client: Mayfield

We dovetail market research and demographic data with development consultancy and valuations to provide advice to support the acquisition of a retirement living scheme. Here we supported Mayfield Villages in their first acquisition.



Instruction: Retirement Housing Need Reports
Service: Research
Client: Various Operators, Funders and Developers

We support a number of clients in the market with bespoke market research and demographic reports – to support decision making, acquisitions, funding and planning applications.



Property: Woodbank, Holly Bank Road, Woking
Surrey GU22 0JP
Scheme: Proposed 51 Retirement Apartments
Service: Acquisition
Client: Birchgrove Holdings Limited

We acted on behalf of our client to acquire this Retirement Living opportunity. Providing advice through the offer and sales process to ensure our client made an informed decision.



Property: Retirement Villages Portfolio
Price: Confidential
Service: Valuation of 1,000+ units
Client: Retirement Villages Group

Retirement living has a number of value opportunities through both the development and operational businesses. We value the operational income for a number of operators and have an acute understanding of how retirement living business works.

We're on your local high street.

No matter where your property is located, you can pop in to any Knight Frank branch. One of our experts will be happy to talk to you about your property or give you some inside information about the local market.



61
offices
throughout
the UK



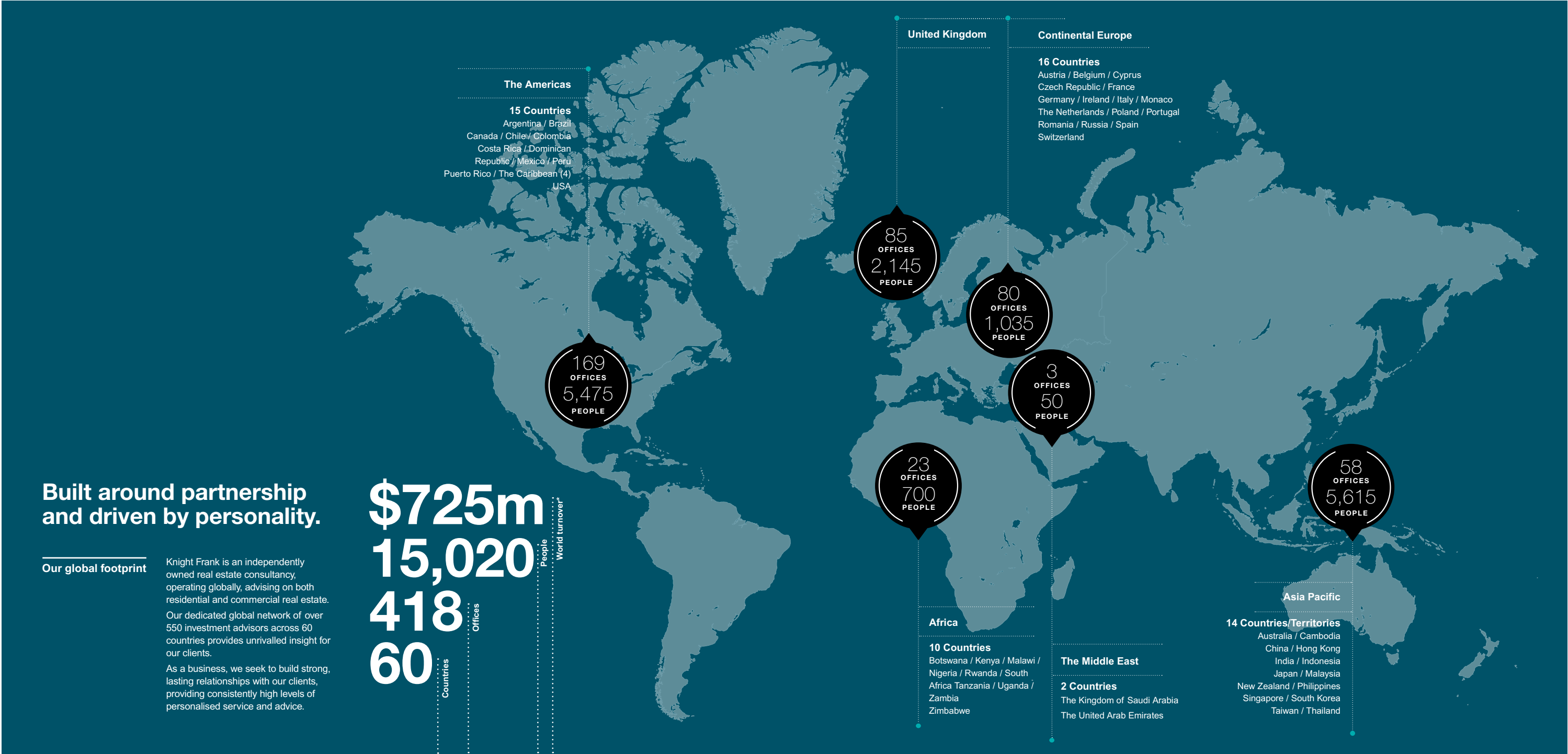
Our Regional Offices:

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|-----------------------|-----------------|----------------|------------------------------------|
| 1. Ascot | 9. Cheltenham | 17. Haslemere | 25. Stratford-upon-Avon |
| 2. Basingstoke | 10. Cirencester | 18. Henley | 26. Stow-on-the-Wold |
| 3. Bath | 11. Cobham | 19. Horsham | 27. Tunbridge Wells |
| 4. Beaconsfield | 12. Edinburgh | 20. Hungerford | 28. Virginia Water |
| 5. Berkhamsted | 13. Esher | 21. Lauder | 29. Weybridge |
| 6. Bishop's Stortford | 14. Exeter | 22. Oxford | 30. Winchester |
| 7. Bristol | 15. Guildford | 23. Sevenoaks | 31. Worcester & The Three Counties |
| 8. Cardiff | 16. Harrogate | 24. Sherborne | |

Our London Offices:

- | | | | |
|--------------------------|---------------------|----------------------|----------------------------|
| 1. Aldgate | 9. Clapham | 17. Knightsbridge | 25. St John's Wood |
| 2. Barnes | 10. Dulwich Village | 18. Marylebone | 26. Tower Bridge |
| 3. Battersea & Nine Elms | 11. Fulham | 19. Mayfair | 27. Victoria & Westminster |
| 4. Belgravia | 12. Hampstead | 20. Notting Hill | 28. Wandsworth |
| 5. Belsize Park | 13. Hyde Park | 21. Queen's Park | 29. Wapping |
| 6. Canary Wharf | 14. Islington | 22. Richmond | 30. Wimbledon |
| 7. Chelsea | 15. Kensington | 23. Riverside | |
| 8. Chiswick | 16. King's Cross | 24. South Kensington | |

Attracting international buyers.



The UK is an exciting and vibrant place to live and continues to attract property buyers from around the world. In fact last year alone we sold regional properties to 29 different nationalities.

Our London, UK and global offices collaborate to bring the right buyers to look round the properties we market. With such growing international interest, we have established Chinese, Russian, Middle Eastern and South Asia teams to help buyers from these regions find their perfect property.

60

countries worldwide

418

offices worldwide

Meet the Team

Our highly experienced team has an in-depth understanding of the retirement living market as well as the healthcare, capital markets, residential development and commercial property markets.

Together with the active support of the full range of Knight Frank's other specialist property departments and our national office network, we provide a carefully considered approach to deliver our clients' constructive and cost-effective 'value add' solutions.

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