

## Nordic Aged Care Fund growth continues

As at 30 September 2017, the Northern Horizon Nordic Aged Care Fund has acquired or committed to acquire through forward purchase or forward funding contracts a total of 33 care homes in Sweden and in Finland, for a total acquisition cost of EUR151 million.

The Fund has signed 30 care home acquisitions in Finland so far. “Our pipeline in Finland remains very strong, and we continue to find projects satisfying our return targets”, explains Jussi Rouhento, Head of Finland at Northern Horizon.

In Sweden, the Fund has so far signed three care home acquisitions. The first asset, in the southern city of Kristianstad, was completed in September 2017 and has been handed over to Attendo, who operates the facility under a long-term lease agreement. The SEK150 million state-of-the-art care home features 54 units for senior citizens in need of 24/7 care. Two further care homes in the greater Stockholm area are currently under construction. “The growth and non-discretionary nature of the care demand, combined with a primarily public-pay model and the impressive fiscal strength of Sweden, gives protection from the risks we think are emerging in several other segments of the Swedish real estate investment market”, comments Christopher af Trampe, Head of Sweden at Northern Horizon.

“The demographically-driven demand for residential elderly care facilities across the Nordics continues to grow as predicted. The resolve of the Nordic societies to provide all the elderly with the care standards they deserve remains as strong as ever. And we like the predictability and length of the rental cash flow profile provided by our Nordic government-backed care system”, concludes Northern Horizon CEO Michael Schönach.

Northern Horizon has by the end of September 2017 obtained equity commitments of EUR189 million for the Fund. Based on the deal pipeline, the current equity commitments are likely to have been fully committed to specific care home projects in the next six months. Northern Horizon expects to reach the Fund’s final target equity base of EUR250 million in the coming months. The Fund’s investor base consists of seven institutional investors and family offices from the UK, Continental Europe and the Nordics.

### About the Nordic Aged Care Fund

Nordic Aged Care was launched in 2016 and it is Northern Horizon’s third specialised care home fund. The Fund helps the Nordic countries meet the challenge of a rapidly ageing population by funding the development of modern and high-quality care homes leased to leading public and private care operators on long lease contracts. The Fund plans to deploy EUR500 million into care homes and targets a 9% net IRR to its investors.

### About Northern Horizon

Northern Horizon is an independent real assets investment manager with a focus on specialised strategies in Northern Europe. Northern Horizon has since 2007 developed and acquired more than 80 care homes for its institutional care home funds. Overall, Northern Horizon currently manages four real estate funds and two separate account mandates for leading European institutional investors. The firm employs approx. 50 professionals in its offices in Copenhagen, Helsinki, Stockholm, Berlin, Vilnius and Tallinn.

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