



## **TSC FUND EUROCARE IV**

**Portfolio Overview  
July 2024**

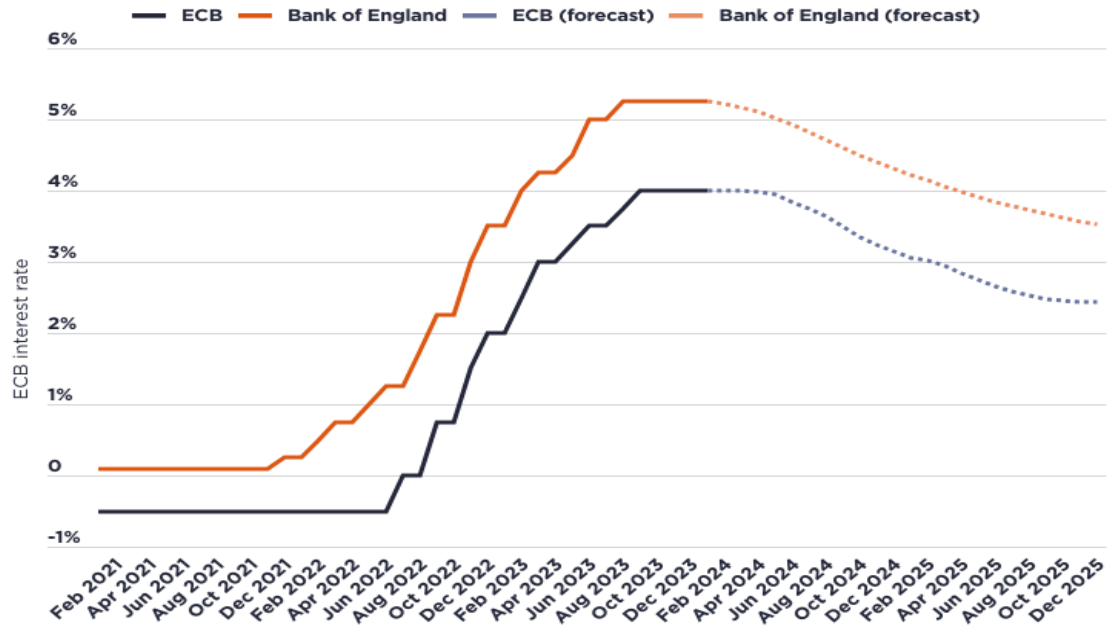
# TABLE OF CONTENT



- Market Review
- Portfolio Overview
- ESG Approach & Initiatives

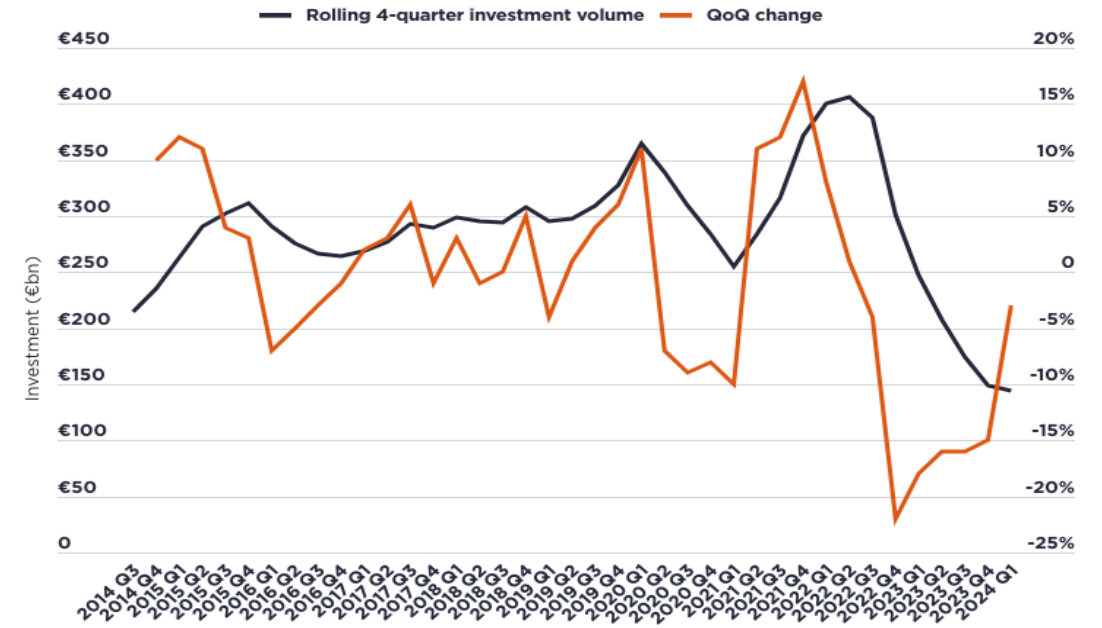


## Interest rates and forecasts



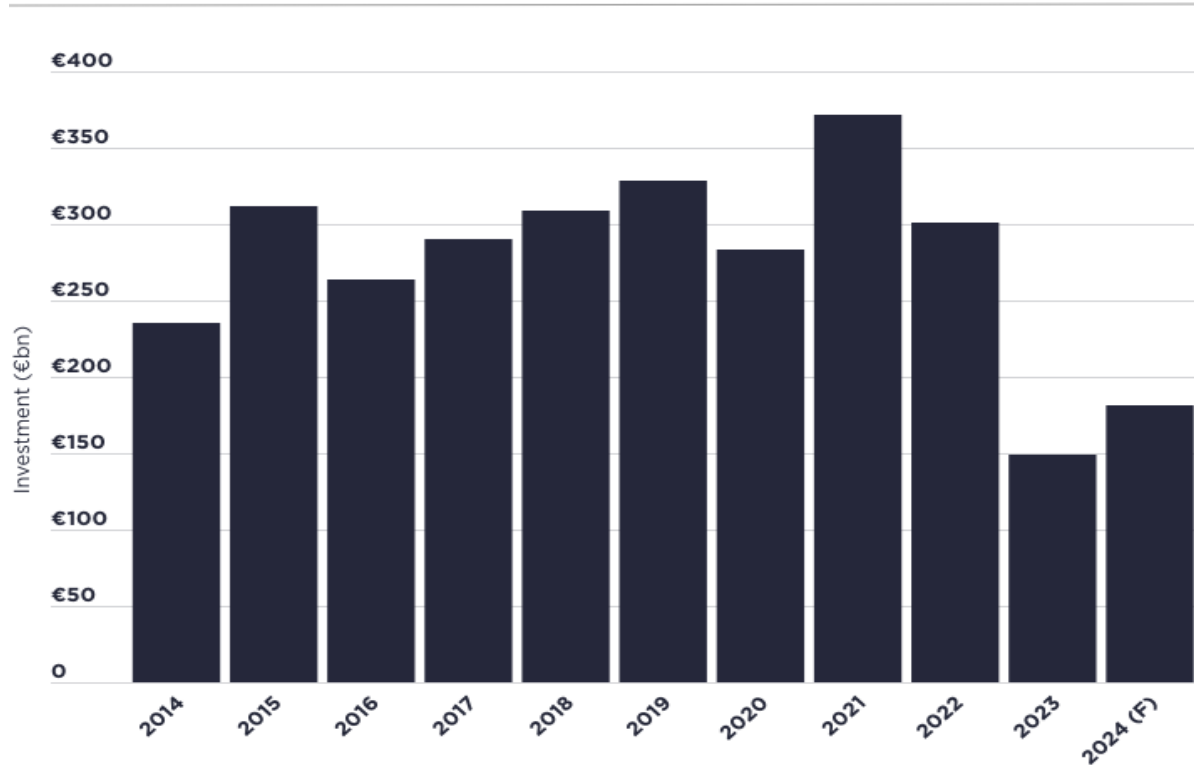
Source: Savills Research using Macrobond

## Rolling past 4-quarter-investment volume



Source: Savills Research

## Full-year European investment volumes



Source: Savills Research

## Prime average yields



Source: Savills Research

# Nursing homes / Healthcare Real Estate Investment Market (1 of 2)



Care Home Investment Yields across European countries



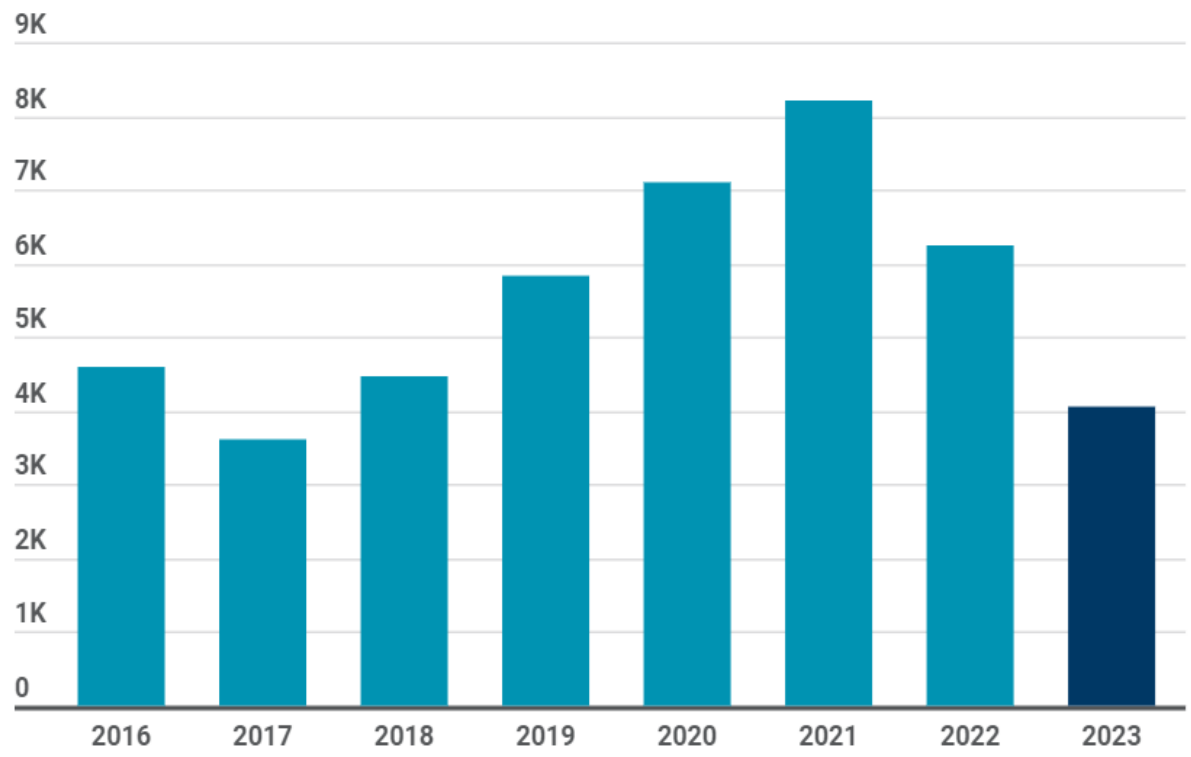
Source: JLL, Q3 2023 •

Prime yields relate to well-located, modern quality stock, let on long-term institutional leases to high quality operators.

# Nursing homes / Healthcare Real Estate Investment Market (2 of 2)

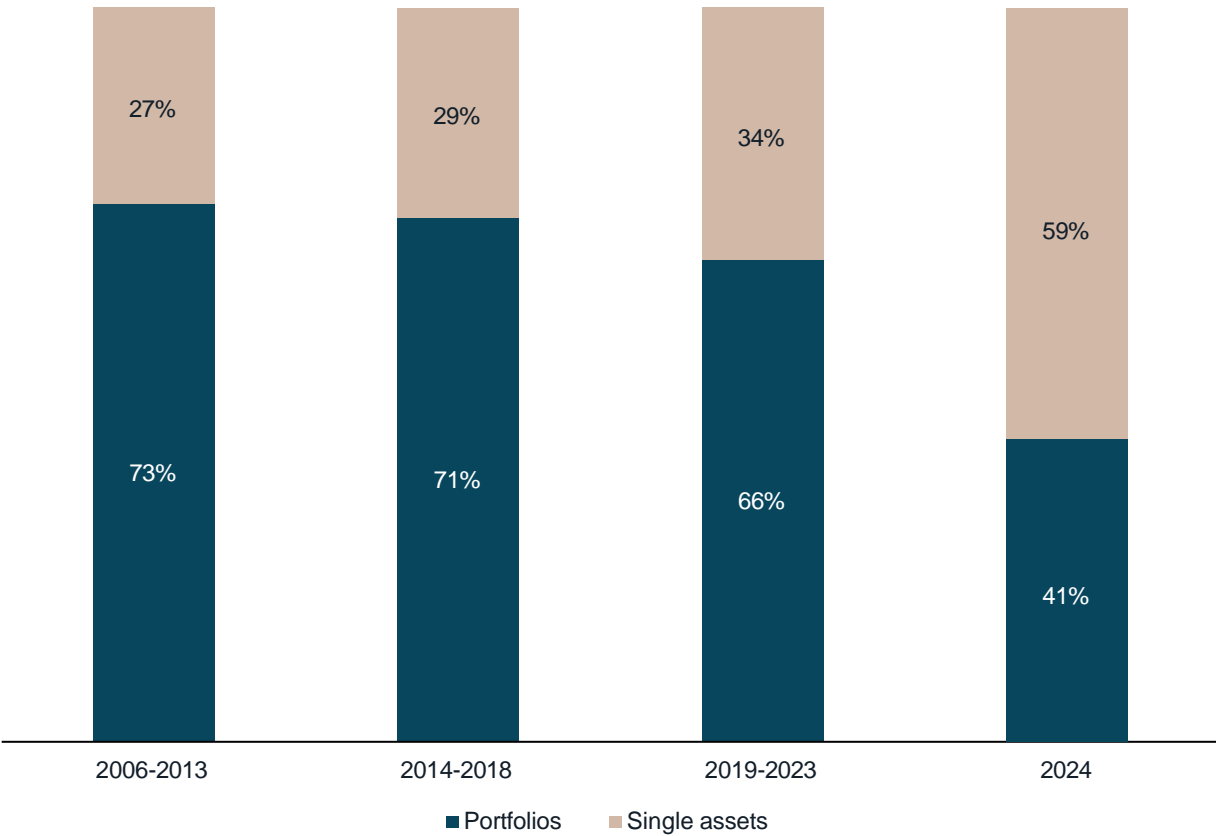


Investment Volume in Care Homes in Europe (Million EUR)



Source: Cushman & Wakefield 2024

EMEA Healthcare investment volumes breakdown by portfolio or single asset (%)



Source: JLL research as of Q1 2024.

# Eurocare IV | Acquisitions (1 of 3)

**Purchased  
Rosolina**

November 2021  
EUR 16 million



**ROSOLINA, VENETO, ITALY**

**Purchased  
Berlin**

December 2021  
EUR 45 million



**BERLIN, GERMANY**

**Purchased  
León**

January 2022  
EUR 3.7 million



**LEÓN, SPAIN**

**Purchased  
Valdesoto**

March 2022  
EUR 6.5 million



**VALDESOTO, SPAIN**

**Purchased  
Neu-Ulm**

March 2022  
EUR 23.5 million



**NEU-ULM, GERMANY**

**Purchased  
Felsberg**

March 2022  
EUR 15 million



**FELSBERG, GERMANY**

**Purchased  
Vellmar**

March 2022  
EUR 21 million



**VELLMAR, GERMANY**

**Purchased  
Reiskirchen**

March 2022  
EUR 13 million



**REISKIRCHEN, GERMANY**

**Purchased  
Altenkirchen**

March 2022  
EUR 8 million



**ALTENKIRCHEN, GERMANY**

**Purchased  
Magnano**

April 2022  
EUR 14.5 million



**MAGNANO, ITALY**

**Purchased  
Tarcento**

April 2022  
EUR 28.7 million



**TARCENTO, ITALY**

**Purchased  
Bohonal de Ibor**

July 2022  
EUR 5.3 million



**BOHONAL DEL IBOR, SPAIN**

**Purchased  
Bad Münstereifel**

September 2022  
EUR 9.4 million



**BAD MÜNSTEREIFEL,  
GERMANY**

**Purchased  
Quercus**

October 2022  
EUR 4.3 million



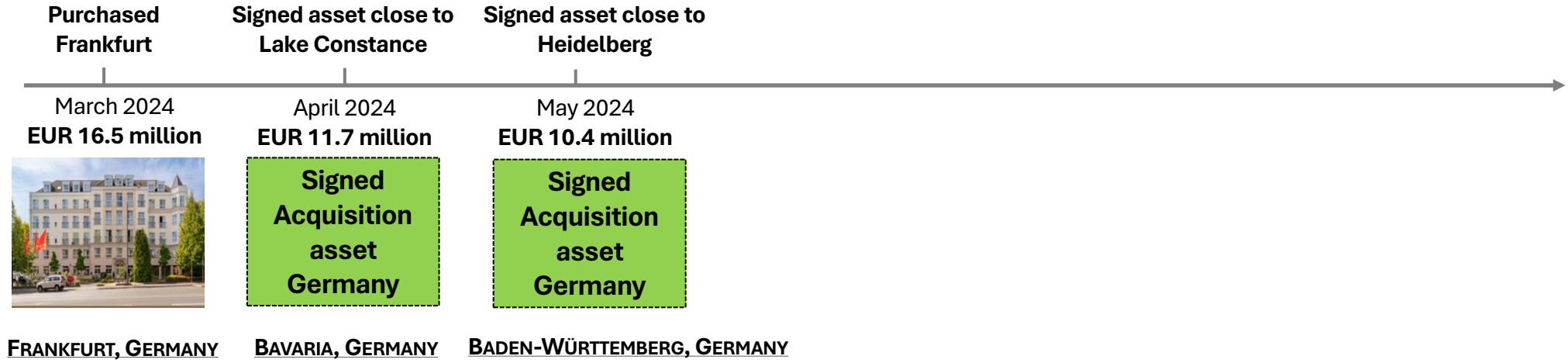
**GALICIA, SPAIN**

# Eurocare IV | Acquisitions (2 of 3)





# Eurocare IV | Acquisitions (3 of 3)



# TSC Fund | Eurocare IV | 31.03.2024

## Portfolio Overview



**27**  
Properties

**13**  
Operators

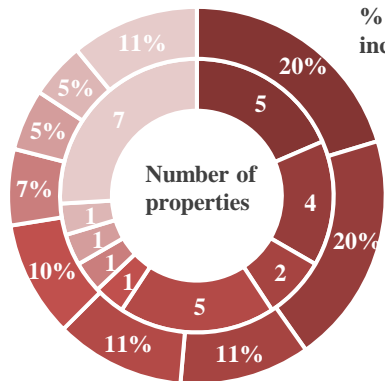
**3'210**  
Nursing Beds

**c.22 years**  
WALT

**156,201 sqm**  
Net Floor Area

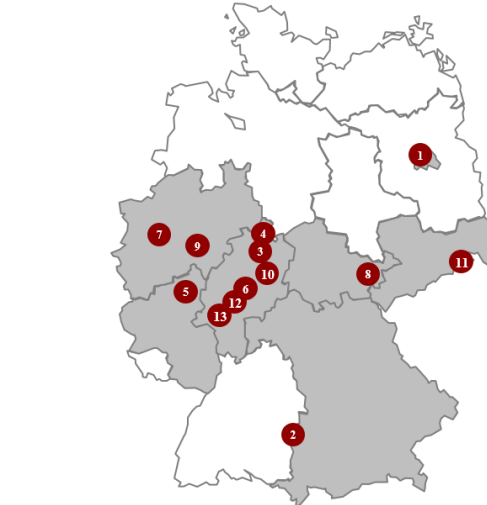
**c.€333m**  
FMV [Q1 24]

Largest Operators by % share of rental income



% share of rental income

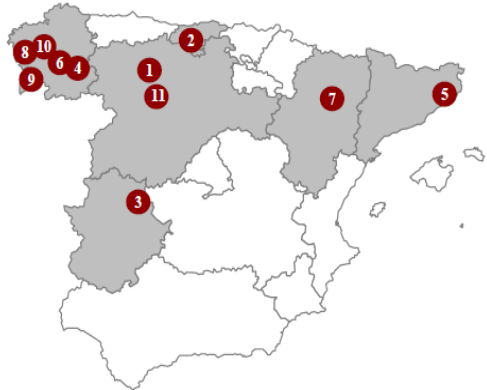
- NewCare
- Kursana
- Zaffiro
- DomusVi
- Vitanas
- Johanniter
- Hospitalia
- Sonic Healthcare
- Others



13  
DE



3  
IT



11  
SP

German Portfolio (€' 000)	
# Properties	13
Nursing Beds	1,529
Assisted Living	50
Annual Rent	11,603
Total Investment	229,245

Italian Portfolio (€' 000)	
# Properties	3
Nursing Beds	429
Assisted Living	-
Annual Rent	3,084
Total Investment	58,271

Spanish Portfolio (€' 000)	
# Properties	11
Nursing Beds	1,252
Assisted Living	-
Annual Rent	3,551
Total Investment	57,440

Source: [TSC; Eurocare IV Fund Overview]

# Sustainability Approach

Embedding sustainability through our portfolio of assets



## Environmental



Energy consumption  
Energy performance  
CO2 emissions

## Social



User comfort  
Accessibility & mobility  
Building features & security

## Governance



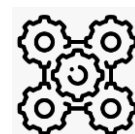
Lease conditions  
Tenant ethic & reputation  
Resident satisfaction

## From blueprint to strategic execution



### Data management

Implementation of ESG score cards  
Installation of smart meters across the portfolio to automate data collection and management  
Sustainability dashboard, KPIs & risk monitoring



### Sustainability initiatives

Implementation of stakeholder engagement, energy saving measures and other asset enhancement targeting energy reduction over time, including :

- Renewable energy supply (solar panel installation...) initiatives ongoing for several properties
- Improving energy efficiency (insulation...)
- Implementation of green leases clauses & collaborative initiatives with tenants...



### Asset certification

Obtaining Building Research Establishment Environmental Assessment Method (**BREEAM**) certification to demonstrate sustainability and enhance market value/attractiveness



- Take advantage of the current market situation where real estate players are in need of liquidity
  - Potential decrease of interest rates presents an opportunity
  - Window of opportunity - lag time between potential interest rate decrease and real estate price catch-up, take advantage of supply/demand imbalance
- ⇒ Acquire top assets at reduced / discount values (below the fair market value at acquisition)
- ⇒ 3 main investment strategies
- Lease back from operators
  - Cherry pick small portfolios / single assets from REITS / Funds in need of liquidity
  - Developments towards the end with a distressed seller

# LEGAL DISCLAIMER

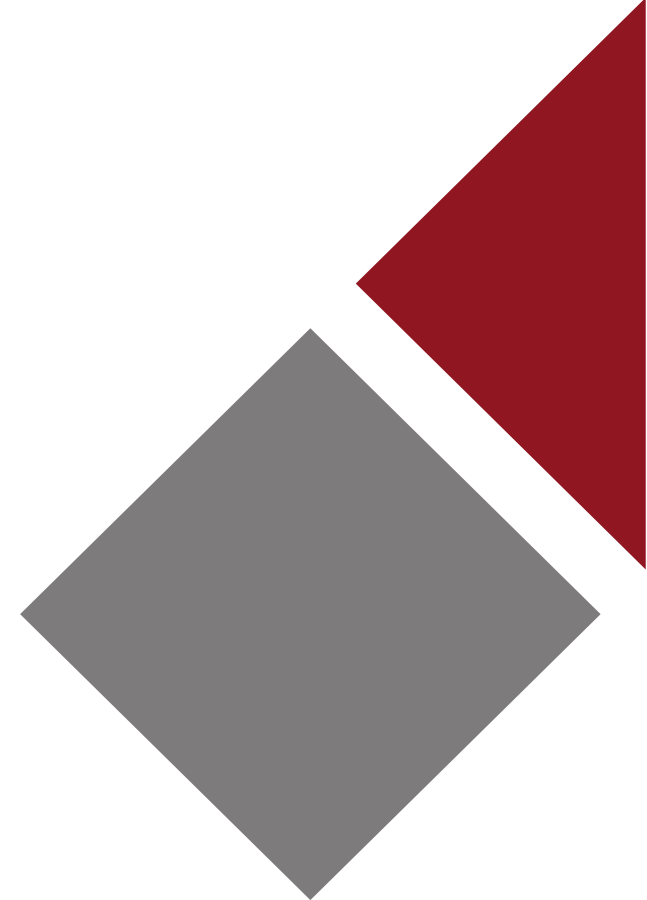


The following presentation is informative and contains general information only and does not constitute a securities offer or/and invitation to offer securities or does not intend to replace the financial results of the Fund which will be provided by the Fund's administrator. Any offer to invest in Threestones Capital's Funds will be made solely to qualified investors in accordance with applicable securities laws and will be subject to the terms of the governing documentation and is not designated to the public.

In considering prior performance information, you should bear in mind that past performance may not be indicative of future performance. There can be no assurance that the results achieved so far by Eurocare will be identical in the future and there can be no assurance that Eurocare will be able to implement its investment strategy or achieve its investment objectives. Target performance set forth herein is presented for illustrative and informational purposes only and has been presented based on various assumptions made by Threestones Capital in relation to the investment strategy being pursued by Eurocare, any of which may prove to be incorrect. Due to various risks, uncertainties and changes beyond the control of Threestones Capital, the actual performance of Eurocare could differ materially from the target performance presented herein. No assurance, representation or warranty is made that target performance or other expectations and assumptions the presentation is based on will be achieved and undue reliance should not be placed on it. Any projections, forecasts, and estimates contained herein are necessarily speculative in nature, involve elements of subjective judgment and analysis, and are based upon certain assumptions and the best judgment of Threestones Capital.

Threestones Capital and its related entities will not bear any obligation under the following presentation and will not bear any responsibility towards any person or entity which may endure any damages as a result of using or relying on such presentation. The presentation contains confidential information and any person who receives it is hereby obligated not to transfer it or the included information, fully or partially, directly or indirectly to any other person and/or entity without Threestones Capital explicit consent.

The presentation does not purport to give or serve as a substitute for legal, tax or financial advice. The information in this presentation is not exhaustive or comprehensive. Part of the information in this presentation is based on Threestones Capital's assumptions and definitions and Threestones Capital makes no representations or warranties about the accuracy or suitability of the information provided in this presentation. The opinions expressed in this presentation are those of Threestones Capital only and these are subject to change at any time and without notice.





## ***Contacts***

### **Threestones Capital Management S.A.**

50-52 Route d'Esch

L-1470 Luxembourg

[Inv.relations@threestonescapital.com](mailto:Inv.relations@threestonescapital.com)

[www.threestonescapital.com](http://www.threestonescapital.com)