

M&G's European Living Fund makes €82 million maiden investment into German Senior Living sector

London/Frankfurt, 29 April 2025 – M&G Real Estate has acquired an €82.5 million senior living scheme in Erftstadt on behalf of its €578 million European Living Property Fund (the Fund), marking its first investment into the German senior living sector. The Fund launched in 2023 and aims to provide institutional investors with attractive risk adjusted returns through investment into Europe's residential sectors – student housing, single and multifamily housing and retirement living.

The scheme will be leased on a 25-year term to Schönes Leben Group, who since 2017, has become Germany's fastest-growing provider of premium quality senior living residential accommodation with more than 700 beds in six locations.

Built to the highest sustainability standards with premium level amenities, the 17,826 sqm new-build scheme includes 163 self-catering apartments with a small share of care units designed to ensure that individuals with higher care needs can be supported on-site through home care services or daycare.¹ Its rural location, close to a nearby country and golf club and accessible cultural activities in Cologne and Bonn just 30 minutes away attract residents from the Rhineland Metropolitan, Greater North Rhine Westphalia regions and the Frankfurt area.

Marcus Eilers, Head of European Residential at M&G Real Estate, said: *"This is the M&G European Living Property Fund's second acquisition in Germany and its first investment in a high-calibre senior residential property with strong sustainability credentials. The significant growing demand for high-end senior living accommodation, coupled with the defensive nature of healthcare real estate, makes this an attractive asset class for institutional investors."*

Thomas Kächele, Head of Germany and Central Eastern Europe at M&G Real Estate commented: *"As demand for residential accommodation accelerates across Europe, we are looking to increase our investments, especially in Germany, where senior living has become mainstream within institutional portfolios. With only 30 homes per 1000 people over the age of 70, Germany's senior housing market can unlock strong growth potential for investors."*

Kip Sloane, Managing Director Schönes Leben Group, added: *"M&G Real Estate's investment is a strong signal for the Schönes Leben Group and underlines the value and future viability of the premium senior living segment in Germany. We are very pleased working with M&G and to have signed a pioneering green lease. This shows that the premium senior living asset class can be marketed internationally as a residentially rated project."*

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both real estate equity and debt strategies, M&G Real Estate's platform provides global market insight and the ability to deliver a variety of compelling strategies to clients.

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Notes to Editors

¹90% occupancy rate

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For nearly nine decades M&G Investments has been helping its customers to prosper by putting investments to work, which in turn creates jobs, homes and vital infrastructure in the real economy. Its investment solutions span equities, fixed income, multi asset, cash, private debt, infrastructure and real estate.

M&G recognises the importance of responsible investing and is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and is a member of the Climate Bonds Initiative Partners Programme.

M&G plc has committed to achieve net zero carbon emissions on its total book of assets under management and administration by 2050 and committed to reduce operational carbon emissions as a corporate entity to net zero by 2030.

M&G Real Estate is a leading financial solutions provider for global real estate investors. As part of M&G Investments' private markets business, M&G Real Estate has a sector leading approach to responsible property management and is committed to continuously improving the sustainability performance of its funds. Globally M&G Real Estate manages more than €40 billion (as at 31 December 2024) of assets on behalf of clients, providing a range of strategies and solutions.

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