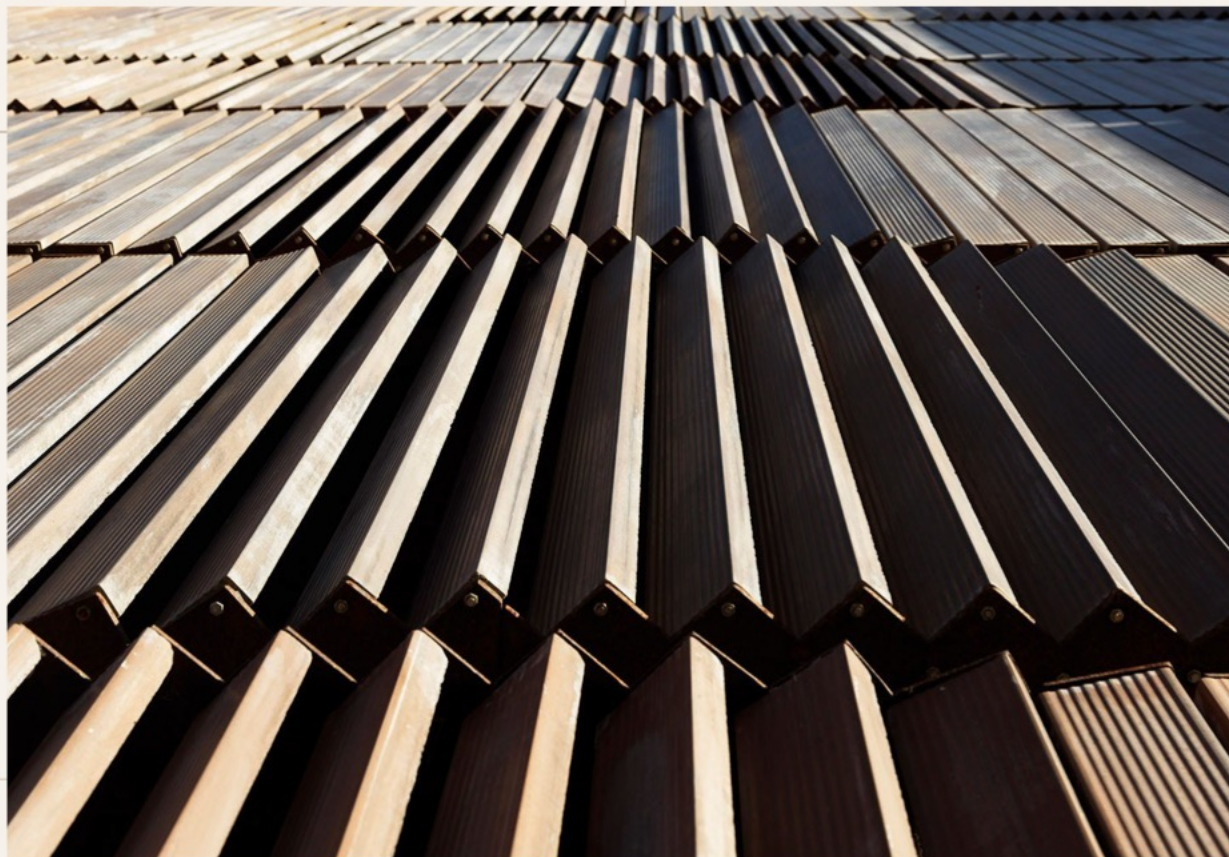




Le Terrazze

Rehabilitation Clinic

Investment
Flyer



Cunardo (VA)
Via Ugo Foscolo
6/A-6/B





Introduction

It is our pleasure to invite you to the sale process of Casa di Cura Le Terrazze rehabilitation clinic, an outstanding investment opportunity in the field of inpatient rehabilitation.

Nestled in the enchanting region of Varese Province in northern Italy, Le Terrazze rehabilitation clinic offers a unique investment proposition; with a dedicated focus on providing high quality inpatient and outpatient rehabilitative services, this specialized facility has quickly gained a reputation for delivering outstanding inpatient care. Offering a comprehensive range of services and state-of-the-art equipment, this rehabilitation clinic is committed to restoring the health and well-being of individuals in need.

Within this Information Memorandum you will find further details on the property's characteristics, prime location, and investment potential, offering a unique opportunity to invest in the Italian healthcare market.

In recent years, Italy has witnessed significant expenditure in healthcare due to several factors, such as an aging population, advancements in medical technology, and increased demand for specialized care. The treatment and rehabilitation sector has particularly benefitted, with 54% of the €176.2B spent on healthcare allocated to this area last year (Istat, 2024). With such compelling demand dynamics and a track record of excellence, this rehabilitation clinic in Varese presents a captivating investment opportunity for those aiming to make a positive social impact in patient care whilst also appreciating profitable returns. Discover how you can be a part of this growing sector and embrace the potential rewards it holds.





01

Very Favorable Lease Terms

- The lease was recently renegotiated to a **more affordable rent of €2.8m**, and is now exempt from VAT.
- Investors benefit **from inflation linked, long-term stable cash-flows**, with a **WALB of c. 17 years** + 6 year rolling renewal options.
- **Ordinary and extraordinary repair and maintenance** of the property will be the **responsibility of the tenant**.
- **No tenant termination rights**.

02

Operator Performance

- Gross **revenues achieved** by the tenant in 2022 are **higher than the industry average**, which includes over 35,000 companies¹.
- **Despite the unforeseen challenges** that were brought upon the healthcare industry **due to the pandemic**, Le Terrazze has been able to recognize a c. **3% revenue CAGR in the last 5 years**².
- The operator specializes in rehabilitation and nursing homes, which represents the **most invested healthcare functions in Italy**.
- Consumer **demand is inelastic and driven by essential services** (i.e. hospitalizations), which require beds for rehabilitation. This demand creates a **steady income flow for the clinic**, which will remain robust in the face of ever changing macro-economic / demographic factors.

Investment Highlights

03

Dominant Market Presence

- **Le Terrazze faces minimal competition** in their field of specialization for treatment / rehabilitation for all age groups, and offers the most comprehensive set of services, largest number of beds and highest building quality.
- **Indirect competitor clinics focus either solely on outpatients or only the elderly**.

04

Robust Healthcare Market Fundamentals

- **Investor interest and positive sentiment** towards healthcare real estate is increasing.
- **Clinics and medical office buildings accounted for over 60% of total 2023 healthcare investment volumes** in Italy.
- **Supportive macro-economic backdrop** in terms of Italy's large ageing population and healthcare expenditure (€176.2bn in 2023)³.
- **Social impact** from tenant operations helps to **enhance the ESG profile** of the asset.

¹ Creditsafe report (as of 2024).

² Camera di Commercio Varese (2018, 2022); PWC Independent Audit Report (2019, 2020, 2021).

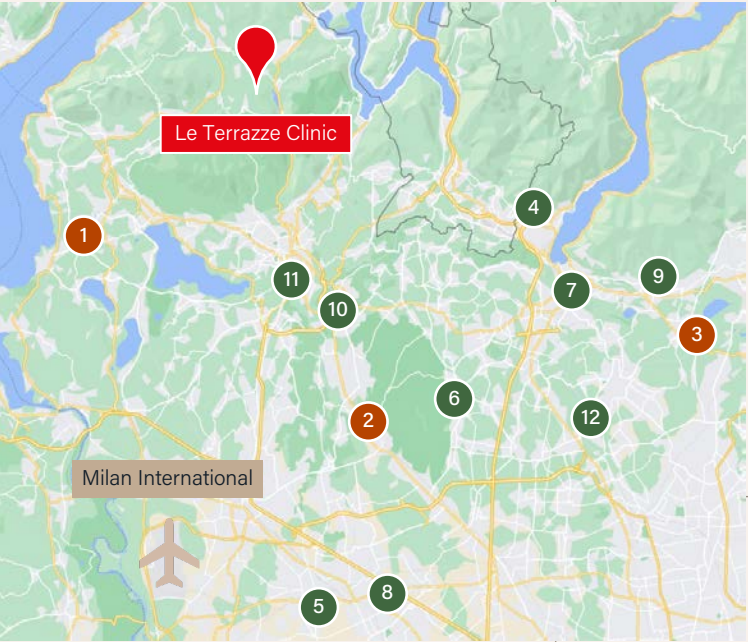
³ Source: Istat (as of May 2024)

Micro Location – Province of Varese



Casa Di Cura Privata ‘Le Terrazze’ is located in Cunardo, in the province of Varese.

The province of Varese is in the Lombardy region of Italy. It is situated in the northwest part of the country, 7 km from the Switzerland border. The province is known for its picturesque landscapes, including Lake Varese and the surrounding Pre-Alps. Its geographical location provides easy access to the cities of Milan (65 km away) and Como (45 km away).



- Directly Competing Clinics
- Indirectly Competing Clinics



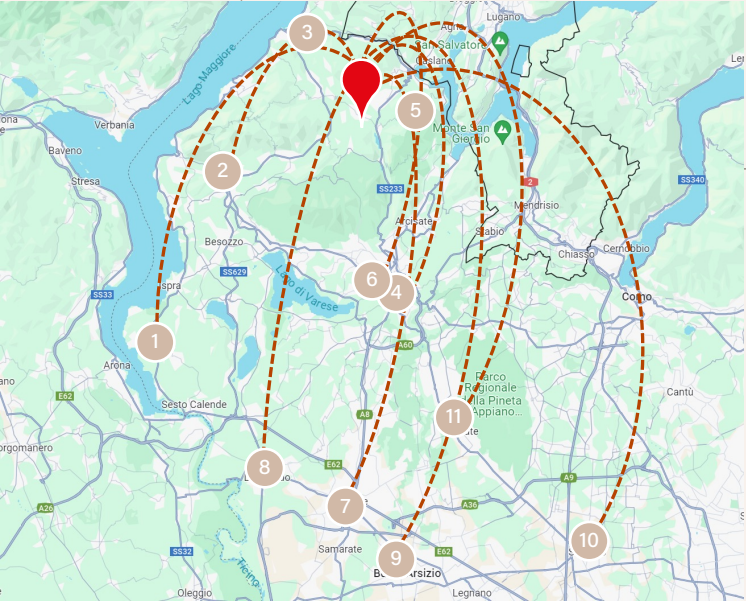
Demand for services generated by hospitals

The majority of patients at Casa di Cura Le Terrazze have been relocated from nearby hospitals. Pre and post-surgery, patients require a personalized treatment and rehabilitation program, and this is where Le Terrazze is able to service this demand through their large number of beds and rooms which are fully equipped with the highest level of technologies and standards.

In the province of Varese, there are 11 public hospitals which support the demand able to be generated for the rehabilitation services and beds at Le Terrazze, increasing the private demand.

This provides Le Terrazze with a steady source of income as the need for beds pre and post-surgery from public hospitals nearby are an essential service that are not directly related to changing macro-economic or demographic factors. This can be evidenced in the five-year gross revenue CAGR of c. 3% from 2018 to 2022¹, and the ability to remain operational and recover from the pandemic which was a very challenging time for healthcare providers.

NO.	NAME OF HOSPITAL	ADDRESS	MUNICIPALITY
1	Ospedale - Angera	Via Bordini 9	Angera
2	Presidio Del Verbano (Osp Causa Pia Luvini) Cittiglio	Via Luvini 1	Cittiglio
3	Presidio Del Verbano (Osp Luini Confalonieri) Luino	Via Forlanini 6	Luino
4	Presidio Di Varese (Osp Di Circolo Varese)	Via Vle Borri, 57 / Via Guicciardini 9	Varese
5	Presidio Di Varese (Osp Di Cuasso Al Monte)	Via Imborgnana 7	Cuasso Al Monte
6	Presidio Di Varese (Osp Filippo Del Ponte)	Via Filippo Del Ponte 19	Varese
7	Ospedale - Gallarate	Via Pastori 4	Gallarate
8	Ospedale - Somma Lombardo	Via Bellini 29	Somma Lombardo
9	Presidio Ospedaliero "Ospedale Di Circolo" Di Busto Arsizio	Piazzale Solaro 3	Busto Arsizio
10	Presidio Ospedaliero "Ospedale Generale Provinciale" Di Saronno	Piazzale Borella 1	Saronno
11	Ospedale Di Circolo Galmarini	Piazza A.Zanaboni 1	Tradate



Hospitals in the Province of Varese represent the direct demand generator for Le Terrazze inpatients.

¹ Camera di Commercio Varese (2018, 2022); PWC Independent Audit Report (2019, 2020, 2021).

Le Terrazze Casa di Cura – Overview

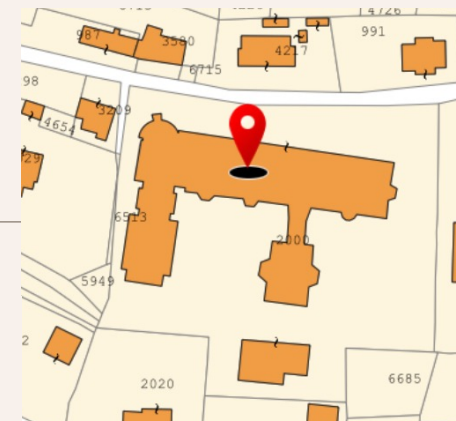
Le Terrazze is a private NHS accredited inpatient clinic specialized in rehabilitation care and treatment, with a physiotherapeutic outpatient rehabilitation centre, and a specialized outpatient clinic for medical consultations and examinations.

Le Terrazze was founded in 1990 as a care and treatment facility. Over the years, it has become a reference point for specialized rehabilitation, attracting patients from all over Italy and is now a national reference point for patients of all ages who seek to recover. Thanks to a significant expansion between 2008 and 2012, the facility has expanded its medical and healthcare services to include a comprehensive outpatient service, a rehabilitation outpatient clinic, an entire area dedicated to imaging diagnostics, and a laboratory for analysis.

The facility spans four floors accessible through barrier-free pathways. The inpatient area consists of 185 beds which are fully equipped, while the outpatient clinics and numerous gyms stand out for their modern and welcoming design and spacious patient-centric areas. Panoramic elevators provide access to the large sun terraces that cover the building, offering an unparalleled view of the surroundings. The extensive garden, appropriately equipped, provides additional spaces for patients, families, and visitors to engage in physical activities and enjoy moments of leisure.

Activities:

- Neuromotor Rehabilitation
- Motor Rehabilitation
- Cardiac Rehabilitation
- Respiratory Rehabilitation
- 24/7 Nursing Care
- Coma Unit
- Outpatient Rehabilitation
- Specialized Outpatient Clinic
- Medical Centre and Inpatient Care (long-term care, diagnostic clinical admission, private admission for specialized rehabilitation)
- Laboratory for Analysis
- 185 Inpatient Beds



Le Terrazze Casa di Cura – Services



REHABILITATION / INPATIENT

Neurological

Comprehensive neurological rehabilitation programs for patients with various conditions including stroke, severe brain injuries, spinal cord injuries, neuromuscular diseases, and neurodegenerative disorders. Services include neuropsychological and speech therapy, cognitive recovery exercises, specialized equipment for gait training, and support for prosthesis management post-amputation.

Motor

Tailored to patients recovering from orthopedic surgeries, such as joint prosthesis implants and osteosynthesis, as well as those who have experienced trauma or severe clinical conditions leading to immobilization. The programs focus is on intensive rehabilitation to enhance functional autonomy. This includes treatments for polytraumatized patients, amputees preparing for prosthesis use, and individuals with severe osteoarticular diseases like polyarthritis and rheumatoid arthritis.

Cardiology

Rehabilitation programs are offered for stabilizing clinical conditions, minimizing disabilities, and promoting active societal roles for patients with cardiovascular diseases. The services target post-surgery patients, those with heart failure, recent myocardial infarction, chronic ischemic heart disease, and peripheral artery disease. Programs include **clinical monitoring, physical exercise, optimization of medical therapy, nutritional advice, psychological support, and individualized long-term exercise and behavioral plans.** The goal is to improve functional capacity, manage symptoms, and prevent further cardiovascular events.

Respiratory

Le Terrazze provides respiratory rehabilitation programs aimed at improving the physical conditioning of patients with chronic respiratory diseases and restoring their functional capacity. These programs cater to conditions such as chronic obstructive pulmonary disease (COPD), asthma, pulmonary fibrosis, and severe respiratory insufficiency, among others. Services include **muscle reconditioning protocols, airway clearance, lung expansion techniques, and management of patients on mechanical ventilation.** The programs are individualized based on thorough assessments, including **spirometry and functional evaluations, to monitor progress and ensure continuity of care at home.**

OUTPATIENT

Offering comprises a **wide range of ambulatory services conducted by experienced professionals utilizing advanced technology.** Available specialties include cardiology, vascular diagnostics, imaging, laboratory analysis, physical rehabilitation, neurology, oculists, orthopedics, and more. Services range from specialist consultations, various scans, and tests (e.g., ECG, spirometry, MRI) to specific treatments like physical therapy and minor surgical procedures. **Specific services, such as allergy tests and acupuncture, are provided on a fee-paying basis.**

Summary of Outpatient Services:

- Cardiology
- Vascular diagnostics
- Diagnostic imaging
- Endocrinology & Diabetology
- Physiotherapy
- Laboratory analysis
- Rehabilitative physical medicine
- MOC-DEXA
- Nephrology
- Neurology
- Ophthalmology
- Orthopedics
- Otolaryngology
- Pneumology
- Urology



The Asset – External Premises



Transaction Process and Contacts

PROCESS

JLL has been commissioned to carry out a structured marketing of the property.

Further information on the transaction process and proposed timeline can be found in the process letter and information pack to be provided post signature of the NDA. Indicative purchase price offers are expected on the basis on the information provided.

To ensure comparability of offers for the seller, the offer should contain substantive information on the following:

- Brief description of the purchaser.
- Purchase price calculation.
- Information on the proposed financing structure.
- Information on internal decision-making processes (committees, etc.).
- Description of track record for comparable transactions.

Sara Pesino

Head of Living,
Capital Markets Italy
Sara.Pesino@jll.com
+39 348 990 0233

Alessandra Zugni MRICS

Director, Living,
Capital Markets Italy
Alessandra.Zugni@jll.com
+39 366 589 4502

Alberico Radice Fossati

Head of Capital
Markets Italy
Alberico.Radice@jll.com
+39 366 274 4339

Harry Clarke-Williams

Director, Healthcare Investment,
International Capital Markets, EMEA
Harry.Clarke-Williams@jll.com
+44 773 488 3100

John Gladstone

Head of Healthcare Investment,
International Capital Markets, EMEA
John.Gladstone@jll.com
+44 777 196 1892



JLL has been appointed exclusively for the sale of the asset by Primovìe Société Civile de Placement Immobilier (SCPI), managed by Primonial REIM - now Praemia REIM.

All enquiries are to be addressed directly to JLL. Under no circumstances are any queries to be raised with the Operator. Please note that no visits are permitted unless arranged via the selling agent.



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