

# ASSISTED LIVING PROPERTY INVESTMENT



The assisted living market is one of the most secure and profitable markets for property investment.



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# What is an assisted living property investment?

Assisted living property investment is, in short, investing in property that provides assisted living accommodation to those with extra support needs.

Assisted living is, more often than not, an apartment or an apartment complex that provides extra support in the form of carers or help with things like shopping and other daily tasks.

In comparison to residential property investment, assisted living property investment is somewhat more niche and offers high rental yields with more modest capital gains through price growth.

Residents pay rent and fees to live within an assisted living complex, all of which is covered by the management company in place, with the rent then passed on to the property owners, creating passive rental income from the investment.

Investment into assisted living has grown hugely in popularity in recent times and the fundamentals behind the growth in this market, such as an ageing population resulting in an increase in demand, mean that it's set to become a much more standard investment strategy for seasoned and new property investors alike.



“**Knight Knox are honest, practical and up to the point. Through them, you can invest with peace of mind and confidence. I’m so glad to know and have the pleasure of doing business with knight Knox. I have particular gratitude towards Tom Mason, who supported me hand in hand during the complete process of investing and purchasing. All the best.**”

**Mr Yousif A**  
Knight Knox Investor

# Assisted living market overview



Assisted living housing has seen a significant increase in popularity and demand in the UK, driven by several factors that have reshaped the landscape of care and housing services.

This rise can be attributed to several key reasons.

**01**

Firstly, there has been a shift in the approach to social care, moving away from institutionalised settings towards a people-focused model that emphasises individual choice, independence, and community.

Assisted living provides a flexible and personalised approach, allowing individuals with disabilities, mental health needs, or other support requirements to live in their own homes while receiving the necessary assistance and support. This approach promotes dignity, autonomy, and quality of life for residents.

**02**

Additionally, there has been a growing recognition of the benefits of community-based care and the importance of inclusive living arrangements. Assisted living enables individuals to live in a regular housing setting, whether that's a flat, house, or shared accommodation, within their local community.

This fosters social inclusion, encourages participation in community life, and helps to break down stigmas and barriers associated with disabilities or special needs.

**03**

Another driving force behind the increase in assisted living housing is the desire to reduce costs and provide more cost-effective care solutions. Traditional residential care settings can be expensive both for individuals and local authorities, whereas assisted living offers a more economical alternative.

By allowing assisted individuals to live independently in their own homes, the costs can be significantly lower, while still ensuring access to appropriate support services.

## “Investment that makes a difference”

From an investment perspective, an ageing population that requires more social care solutions than ever can only mean that the country needs to build more of this type of property in order to meet that demand.

As opposed to traditional residential property, assisted living accommodation doesn't face quite the same opposition at the planning stage and, similarly, there aren't any particular hot spots across the country where these types of properties are needed more than others, everywhere needs social care provision.

# Benefits of investing in assisted living property

## **Investing in assisted living property in the UK presents a big opportunity for investors that are looking for a socially responsible investment with strong financial prospects.**

Primarily, there is a large and growing demand for assisted living accommodation in the UK thanks to an ageing population and the increasing number of people with disabilities or special needs. It's created a significant need for suitable housing options that can provide appropriate care and support and by investing in assisted living properties, investors can tap into a market with a strong demand with a stable occupancy rate and potential for long-term rental income.

Moreover, assisted living properties offer attractive financial benefits. The sector often benefits from long-term, secure leases with care providers or local authorities. These leases typically come with assured rental income, often over a 25-year period, and usually include provisions for rent uplifts, providing investors with a reliable and lucrative income stream that offers the potential to grow with inflation.

By providing high-quality accommodation and support services to vulnerable individuals, investors also contribute to improving the lives and well-being of those in need. Not just that, government support and incentives in the UK make investing in assisted living even more attractive.

Local authorities and government agencies often provide financial support and grants to encourage the development and expansion of assisted living properties.

“

**Everything was handled professionally and with a personal touch making each stage easy and clear as to what was to happen next. Whenever we were unsure of anything we could reach our contact immediately and were given advice and help. We were particularly impressed at how smoothly, quickly and easily all paperwork was handled. All in all a positive experience.**

”

**Ms Nicola**  
Knight Knox Investor

# Unrivalled rental returns

**Assisted living apartments can provide an assured source of income, more often than not through government-funded programs.**

These programs often provide long-term leases and stable rental income that can even feature increases based on inflation, making assisted living apartments an attractive investment option.

## **Inflation-linked increases.**

The last few years have seen inflation in the UK soar, something evident when looking at the Consumer Price Index (CPI). In the 12 months to December 2022, CPI rose by a massive 9.4% in what was the highest CPI 12-month inflation since the National Statistics series began in January 1977.



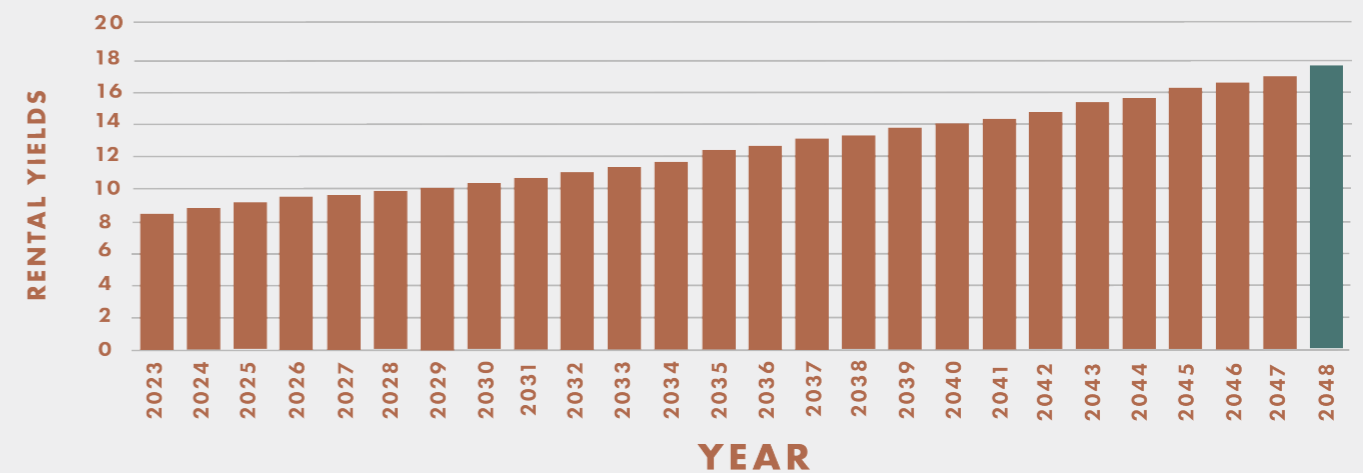
# Build your wealth with assisted living

The graph below forecasts the impressive potential increase in annual rental income, based on an average 2% inflation rate per year and an initial 8.5% NET return at the purchase point as an example.

With inflation rising at record rates at the moment however, there is a large scope for further CPI increases when investing in assisted living property.



## Projected Rental Yields



\*in2013dollars.com



# FAQs

## ■ ***Is assisted living a good investment?***

By and large, yes, in that assisted living investments pay a relatively high return when compared to other types of property investments. Commercial, for example, is a sound investment but doesn't pay as high yields and has a less stable occupancy rate.

## ■ ***Can you get a mortgage for an assisted living investment?***

Usually the answer is no, these types of property investment are still considered quite niche and it's not usually easy to arrange finance for these types of investment, so it makes sense to ensure you have the funds available to buy in cash if you're interested in this type of asset.

## ■ ***Is this social housing?***

It is not social housing, this accommodation would be classed as exempt accommodation or supported housing. Social housing focuses on providing affordable housing to individuals or families with lower incomes, assisted living is geared towards seniors or individuals with disabilities who need assistance with daily activities in a supportive and community-oriented environment.

## ■ ***Who manages the tenants and maintains the property?***

The housing association manage the tenants as well as the maintenance of the property. As part of the leases we offer, all running costs and repairs are covered, offering a truly hassle-free investment.

## ■ ***When would I receive my rental payments?***

Payments are made to you from the housing association on the 1st business day of each month, in arrears.

## ■ ***Is there a demand for assisted living property?***

According to new research, there is a shortfall of more than 487,000 assisted senior living housing units across the country. This shortfall has resulted in a huge demand for privately owned assisted living properties throughout the UK, making for a strong investment market.

## ■ ***What happens at the end of the 25-year lease?***

The lease could potentially be renewed for another set period of time or if it isn't renewed the property would be returned to you in the original purchase condition.

## ■ ***Why choose Knight Knox when investing in assisted living property?***

Here at Knight Knox, we make property investment simple. We have a wealth of experience in the UK property market, with a proven track record when it comes to assisted living investment and UK property investment in general.

# St Mary's

**SOLD OUT**

St Mary's consists of 35 assisted living apartments in the South Yorkshire market town of Barnsley.

They are currently being leased to a non-profit housing company under a 25-year lease that offers assured rental returns whilst covering all running costs, maintenance costs and upkeep of the property.

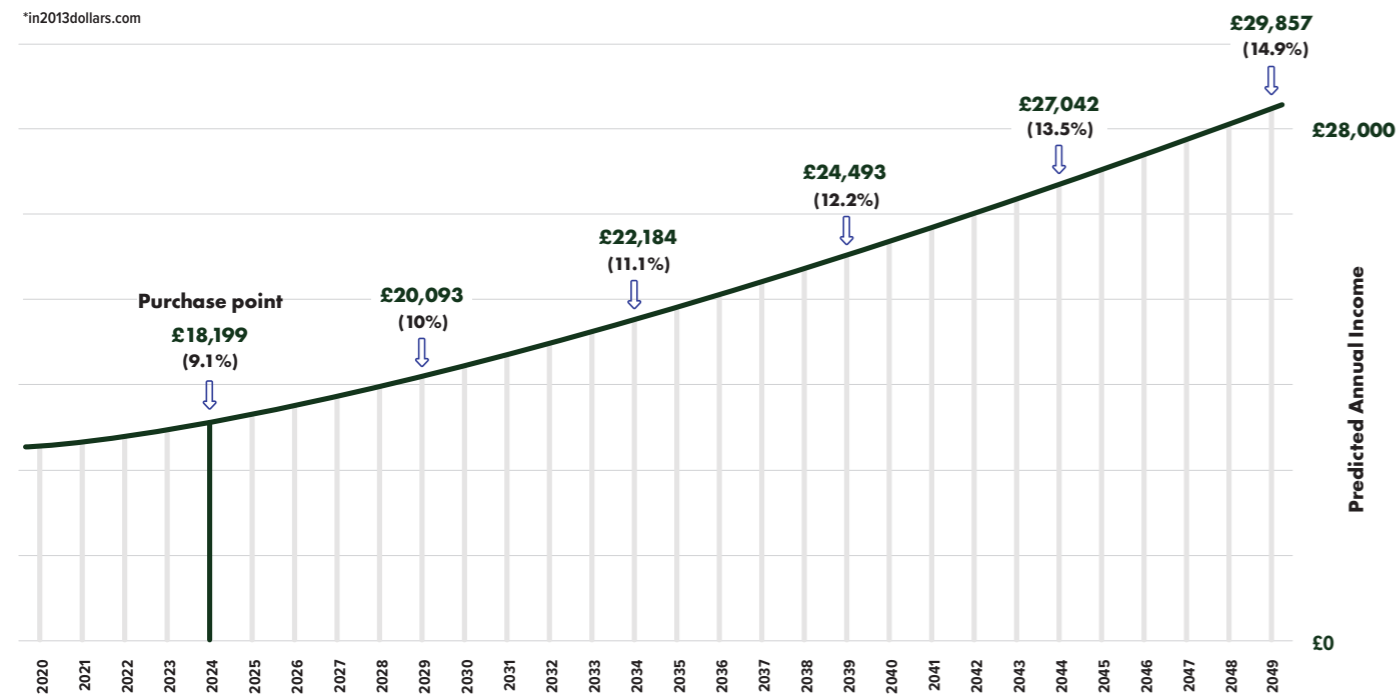
<b>Purchase Price</b>	<b>£199,995</b>
<b>Weekly Rent</b>	<b>£350</b>
<b>Annual Rent</b>	<b>£18,199</b>
<b>NET Yield</b>	<b>9.1%</b>
<b>Assured Return Period</b>	<b>25 Years</b>
<b>Projected Returns*</b>	<b>£612,776</b>
<b>Projected ROI*</b>	<b>206.39%</b>

*\*Projection based on an average 2% rate of inflation per year.*



## Annual income

\*in2013dollars.com





# St Mary's & Town Field Villas

**SOLD OUT**

St Mary's & Town Field Villas consists of 26 assisted living apartments in the South Yorkshire city of Doncaster.

They are currently being leased to a non-profit housing company under a 25-year lease that offers assured rental returns whilst covering all running costs, maintenance costs and upkeep of the property.

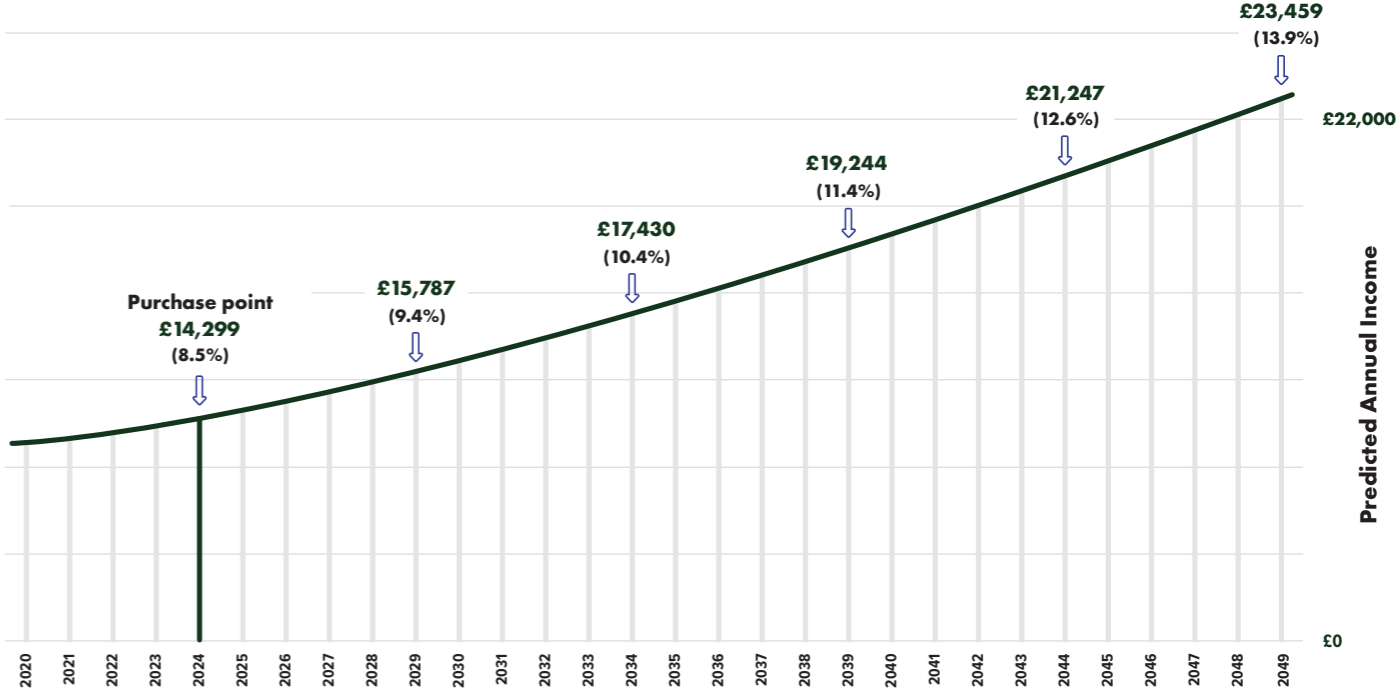


<b>Purchase Price</b>	<b>£168,235</b>
<b>Weekly Rent</b>	<b>£275</b>
<b>Annual Rent</b>	<b>£14,299</b>
<b>NET Yield</b>	<b>8.5%</b>
<b>Assured Return Period</b>	<b>25 Years</b>
<b>Projected Returns*</b>	<b>£481,494</b>
<b>Projected ROI*</b>	<b>186.2%</b>

\*Projection based on an average 2% rate of inflation per year.

## Annual income

\*in2013dollars.com



# About Knight Knox

Knight Knox is a Manchester-based, proven property investment specialist with almost 20 years of experience, specialising in identifying and sourcing high-yield property investments for clients.

We aim to help investors navigate the property investment market by providing expert advice and access to exclusive opportunities, ultimately aiming to deliver profitable returns and build wealth through property investments.

Our track record speaks for itself. Operating in the buy-to-let industry for almost 20 years, we have launched over 120 developments with a total value of over £1.2bn. Our extensive market knowledge, established relationships within the industry, and ability to identify emerging investment hotspots allow us to provide a trusted and reliable investment solution for our clients.

We are committed to providing a transparent, professional, and client-centric approach to property investment. Our core values include integrity, expertise, and accountability, prioritising the delivery of exceptional customer service, maintaining strong relationships with developers and partners, and ensuring our clients have access to thoroughly researched and well-managed investment opportunities.



# Property investment made simple.

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+44 (0)161 772 1370 [info@knightknox.com](mailto:info@knightknox.com) [www.knightknox.com](http://www.knightknox.com)



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