

## MIPIM Special

# MIPIM 2017 examines the New Deal for Real Estate

Real estate professionals around the world, including the 23,000 delegates expected to attend MIPIM, are facing a new business reality brought on by a disruptive revolution in technology, geopolitical instability and a rapidly growing urban population that is putting pressure on sustainable urban development. These challenges are encouraging the international real estate community to examine business strategies based on a better understanding of the global commercial climate for property. MIPIM's central theme "New Deal for Real Estate" has been chosen to provide delegates with an important overview of the underlying trends impacting the market and offering opportunities to the industry. It will be a unique chance for leading real estate executives and urban administrators to get a mid-to-long-term global perspective in the rapidly changing, interconnected real estate world.

Current international data suggests that by 2030 the world's population will be 8.5 billion, of which 60 percent will be living in cities. Clearly this will have a major impact on urban policy making, with city planners and their private partners having to face up to new design and construction challenges, the need for smart cities, pressure on energy resources and the fact that almost 50 percent of the world's population will be living in areas of high water stress. In less than a decade, the debate about sustainability has evolved from a focus on buildings to the situation today where new development projects include consideration of urban integration and town planning, surrounding infrastructure, user-experience and resource management.

MIPIM 2017 will provide a platform for the discussion of these important issues and, for the first time, offer delegates predictive scenarios for the future. These involve an industry expert discussing a given topic and proposing three possible outcomes to the challenges being faced. Delegates will start the conference by voting for their favored scenario and will vote again at the end of the presentation to see if opinions have changed. Among the challenges to be debated is how the real estate sector can become more energy efficient given that 40 percent of the world's energy consumption derives from buildings.

With some 90 countries represented at MIPIM, the event will offer a unique opportunity for international delegates to assess the impact of recent and upcoming political changes around the world including the US presidential election, Britain's Brexit vote and elections in France, Germany, Italy and the Netherlands. March 14 will see a wide-ranging debate on "Which capital cities in Europe have most to gain from Brexit", with Professor Engelbert Lütke Daldrup, Permanent Secretary Strategies for Berlin and Airport Policy for The Governing Mayor of Berlin, putting forward the case for investment in the German capital.

MIPIM will see a powerful UK delegation including, for the first time, a government-backed pavilion hosting the Department of International Trade, the Department for Communities and Local Government, HM Treasury's Infrastructure Procurement Authority, the Homes and Communities Agency and the Department of Business, Energy and Industrial Strategy. Together, these various bodies will be promoting the UK's "Investment is Great" campaign and seeking to get the message across to international investors and occupiers that "Property UK" is open for business.

MIPIM continues to attract the largest number of international investors at any real estate event with 5,000 heading to Cannes this year. 60 of the world's leading sovereign wealth, pension and insurance funds will attend the MIPIM Real Estate Institutional Investors' Summit, RE-Invest. In addition, five of the six largest sovereign wealth funds will be at

MIPIM. Delegates at the RE-Invest Summit have chosen to discuss the implications of the Brexit vote for real estate as well as the investment opportunities in the rapidly-developing Proptech sector.

From a German perspective, March 15 will see a dedicated conference discussion on "How innovative is the German real estate sector", co-organised by the German Property Federation ZIA and Commerz Real AG. Among the speakers looking at tech innovation investment in Germany are Dr. Andreas Muschter, Chairman of the Management Board of Commerz AG and Martin Rodeck, Executive Managing Director of OVG Real Estate Germany and ZIA's Innovation Officer. Investors will also be looking at groundbreaking tech developments in the financing field including new financing models provided by green bonds, blockchain, bitcoin and crowdfunding.

### Germany sends third largest delegation

Confirming the importance of Germany's real estate sector both in terms of inbound and outbound investment, the country will represent MIPIM's third largest delegation in terms of attending companies. The delegation will be headed by Gunther Adler, State Secretary of the Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety. He will be accompanied by Ralf Schulze, BMUB Head of Division International Urban Development, Urbanization Partnerships, Smart Cities. Other political figures attending include the Mayor of Stuttgart, Fritz Kuhn, Peter Feldmann, Mayor of Frankfurt, Cologne's Mayor Henriette Reker and Dorothee Stapelfeldt, Senator of Urban Development in Hamburg.

Since their launch in 1991, the MIPIM Awards have now established themselves as the premier event for recognizing outstanding achievements in real estate. For the 2017 edition of the Awards Germany has two finalists – the Siemens HQ in the Best Innovative Green Building category and Berlin's liO1 new six apartment construction which is competing in the Best Residential Development category. ■

#### The author



**Filippo Rean**

Director Real Estate Division,  
Reed MIDEM, Paris