

Uniting the International Property Business

Paul Zilk

Von einer nationalen Immobilienmesse mit wenig ausländischer Beteiligung hat sich die Mipim (Marché international des professionnels de l'immobilier) zum international wichtigsten Branchentreff entwickelt. Im vergangenen Jahr zählte der Veranstalter 21 415 registrierte Besucher – über ein Fünftel mehr als 2005 – aus 74 Ländern. Entsprechend stolz ist der Autor auf diesen Erfolg. Angesichts der großen, weltweiten Nachfrage nach Immobilien dürfte sich diese Entwicklung in den nächsten Jahren fortsetzen – erst recht wenn sich künftig auch britische und deutsche REITs an der Côte d'Azur präsentieren. (Red.)

It may be time to change the nickname of London's most talked-about skyscraper from The Gherkin to Die Gurke. Situated in the London Docklands, 30 St Mary Axe, the Norman Foster-designed office complex whose shape led to its nickname was bought on February 5, 2007 by the German property investment firm IVG Immobilien for 907 million euros. On the other side of the world in Taipei, CLSA Capital Partners last year invested 162 million euros in the acquisition of three industrial office buildings. Meanwhile in Paris, 2006 saw Madrid-based property investor Banif Immobiliario paying out 70 million euros for a commercial site on probably the world's most famous avenue, 127 Champs Elysees.

All-time attendance record is expected

IVG Immobilien, CLSA Capital Partners and Banif Immobiliario are testimony to the fact that investment funds continue to chase international opportunities. The other thing that all three have in common is that in March, they will be heading to Cannes to attend the Mipim world property market. And they won't be alone. In 2006, over 21,400 property executives from 74 countries and 7,216 companies made their way to the 17th edition of MIPIM, in the process setting an all-time attendance record which shows every sign of being bettered in 2007.

Mipim is the international property industry's annual meeting place par excellence. Since its launch in 1990, the event has successfully positioned itself as a bridge linking the various national markets. And to a certain extent, by

bringing together investors, developers, city administrations and property end-users from around the world, the fair has played a significant role in transforming the property business from being a largely national industry, into a multi-billion euro international activity.

When Mipim was launched 17 years ago, around 95 percent of property investment was national. French developers, investors, construction companies, architects or city and regional administrators operated within their national territory, often unaware of what was happening outside France. And the French weren't alone. With the exception of the British, where companies such as Richard Ellis (now CB Richard Ellis) and Jones Lang Wootton (now Jones Lang Lasalle), were testing the international market, Europe's property specialists adhered to the saying, "there's no place like home."

How things change. Visit the busy corridors of Mipim today and stands housing the likes of German developers ECE Projektmanagement or Hochtief Development are just a short walk away from Dubai International Properties or the Paris Region Pavilion. In terms of investment, Jones Lang Lasalle reported in December 2006 that European property transaction volumes for 2006 would be in the region of 200 billion euros and that a considerable amount of the business would be cross-border rather than purely national.

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Mipim not only reflects existing business patterns, but by bringing new players together with regular event attendees, the show acts as a catalyst for new business. Eastern Europe is a case in point. Driven by the mighty German funds, including the likes of Dekka Immobilien Investment and Westinvest, as well as the Scandinavian, Dutch, U.S. and British investors, capital destined for the traditionally solid French, Italian, Spanish and Portuguese markets, where development opportunities have been strong, is now also heading towards Eastern Europe. And in a sign of the times, The Russian Federation's Minister of Economic Development and Trade, German Gref, chose to attend Mipim last year to support investment opportunities across the Federation.

The fair as business facilitator

Mipim's role in this thriving international business is largely that of a business facilitator. Companies use the event to maintain existing relationships and to develop new ones. And when it comes to communicating a strategic move in the international market, there are few better places to do it than in Cannes, in March. That is why the UK-based private investment bank Evans Randall chose Mipim 2006 to announce that it was preparing to spend one billion euros across Europe, with Germany, the Netherlands and Spain at the top of its investment target list. On 5 February 2007, Evans Randall partnered IVG Immobilien in the acquisition of the London office block known as The Gherkin.

In addition to international deal-making, Mipim's extensive Property Talks conference programme is an essential part of the event. Subjects and speakers are chosen to provide the latest news, trends and stimulate debate within the industry. 2007's line-up of names addressing the Mipim audience includes the internationally-renowned architect Daniel Libeskind, Club Med CEO Henri Giscard d'Estaing and Easy Group's founder Stelios. Today, the property business is confronted by a growing number of deal-making opportunities, at the same time as companies are seeking to maximise their return on investment, particularly when it comes to spending time outside the office. The reach of the event, the breadth of the conference programme, the Mipim Awards and the networking opportunities, make the four days the annual rendezvous for the international property industry. ■