

MIPIM Special

City challenges faced in "Housing the World" central theme at MIPIM 2016

On March 15 some 21,500 urban leaders and senior real estate executives from over 90 countries, including over 4,800 investors, will meet at MIPIM, the world's leading real estate conference, networking and deal-making event. Bringing together the largest single gathering of international investors alongside developers, end-users, architects, hotel groups, public authorities, tech specialists, startups and property associations, MIPIM continues to provide a unique opportunity to conduct business and network. With some 350 conference speakers, MIPIM delegates can also listen to and debate the key issues facing the global property community including those related to new technology, tourism, logistics, architecture, healthcare, retail, climate change and urban challenges.

Among the industry and political leaders scheduled to take to the stage in Cannes this year are Laurent Morel, CEO Klépierre; François Trausch, CEO Allianz Real Estate; Luc Remont, President Schneider Electric France; Morgan Parker, Chief Operating Officer Sufouh, Dubai Holding; Patrick Nelson Vice President Real Estate, WeWork; Jean-Louis Missika, Deputy Mayor of City Hall of Paris with responsibility for Urban Planning, Architecture, Grand Paris projects, Economic Development and Attractiveness; Indonesian Minister of Tourism Arief Yahya; and Brazil's Minister of Tourism Henrique Eduardo Alves.

If MIPIM is a barometer for the global property sector, the projected increase in attendance and an enlarged exhibition

area would seem to indicate a robust international real estate sector.

Amongst investors, there are signs of both renewed confidence and changing investment strategies. Faced with a relative scarcity of prime office and retail assets in Europe, international real estate investors are diversifying their portfolios to include such 'alternative' investments as healthcare, student housing, hotels, residential rental and retirement homes.

Housing the World

With the United Nations reporting that over 50 percent of the world's population now lives in cities and annual urban growth running at 1.83 percent, there is an increasing need for concerted urban strategies that will help cities handle the situation. To facilitate discussion on new urban policy, we have chosen 'Housing the World' as its central theme and the subject of the annual Mayors' Think Tank Summit which brings together over 80 city mayors and senior administrators.

MIPIM will host delegations representing over 550 international cities and local authorities, many of them attending with their private partners, as they showcase projects and seek funding for new development. Among the cities making a first-time appearance are Casablanca (Morocco), Belfast (Northern Ireland), Newcastle (UK) and Bologna (Italy).

Over the course of MIPIM one of the key questions that will be addressed by city representatives and real estate executives is how urban leaders can deliver successful densification policies to meet the world's continuing urbanization. With a shortage of residential housing in many of Europe's urban centres, a move towards joined-up office and urban planning and environmental concerns, the issue of Housing the World is critical to the real estate industry.

Just how fast the investment environment is changing is underlined by the fact that the popular RE-Invest Summit

- bringing together representatives from 50 major sovereign wealth funds, pension funds, insurance funds, UHNWI, and other leading capital owners in the real estate industry - will start off with a keynote address on "Crowdfunding: How does it impact real estate and finance?", by Dan Miller, Founder of Myrtle Grove Ventures. The Summit will then address the wider question of what risks and rewards investors face in the global real estate market.

With over 90 countries represented at MIPIM, the event's conference programme offers a host of opportunities to catch up on the latest investment situation in a wide range of countries and regions. 2016 will see conference presentations from as far afield as the United States and Canada, Indonesia, Japan and China, Poland and Central Europe, Britain, France and Germany.

Diverse investment opportunities will be presented

In the office sector, one of the trends facing architects and developers is the changing needs of occupiers as shared working space, co-working environments with short-term leases and virtual offices, are becoming a reality. In the US, five-year old WeWork, the shared work space provider, has announced plans to expand beyond the current four countries it serves and WeWork's Head of Real Estate, Patrick Nelson, will address MIPIM delegates.

The explosion of e-commerce has meant that what were once described rather dismissively as 'sheds,' have become one of the hottest assets in real estate as demand for logistics grows and 8 percent warehouse returns have been outperforming some office portfolios since the recession. In a sign of the times, German-based investor and service provider Patrizia launched its logistics division in September 2015 and MIPIM will showcase the latest in logistics in a dedicated zone within the Asset Hub. As investors turn their attention to 'alternative' assets, recent mega-mergers in the

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hotel and tourism sector, including Marriott International's takeover of Starwood Hotels & Resorts, have made the investment community sit up and pay attention. 2015 recorded some 20 billion Euro in hotel investment across Europe as early investors took profits and buyers maintained their growing interest in the sector. Alongside logistics, Hotel & Tourism will have its own exhibition area within the halls.

Elsewhere in the non-core asset market, the exhibition will reflect investor moves into healthcare, student housing and retirement complexes. Just how popular this sector is becoming is underlined by AXA's reported 2.7 billion Euro in non-core investments, 500 million Euro of which were made in 2015 alone.

Germany maintains important MIPIM profile

With Germany representing the third largest national delegation (over 900 German companies are expected in Cannes), major cities attending include Berlin, Munich, Frankfurt, Stuttgart,

Düsseldorf and Hamburg, as well as first-time attendees the Rhine Neckar Metropolitan region and the Strasburg-Ortenau Eurodistrict - comprising 107 German and French towns.

Representing the various banks, funds and insurance companies that make up the German investor community are Aareal Bank, Union Investment Real Estate, ECE Projektmanagement, Bilfinger Real Estate, Allianz Real Estate, BVK and NRW Invest.

Now in its ninth year, the German Pavilion and the various city stands, will host a multitude of real estate projects including Munich's Starnberg Wing Station Building, the BASF high-rise building in Düsseldorf, Hamburg's Elbe Philharmonic Hall and the Munich Airport Satellite.

German real estate will take centre stage during the 'Building Real estate in Germany - Match up Your Investment' conference where discussion will range from urban densification to innovative buildings and what sectors offer the most attractive investment opportunities. Meanwhile in the MIPIM Awards,

Germany has finalists in the Best Healthcare Development category (University Hospital Frankfurt, Goethe University), Best Refurbished Building (Papillon, Düsseldorf), Best Residential Development (Hansaterrassen, Hamburg) and Best Shopping Centre (Aquis Plaza, Aachen).

The MIPIM Innovation Forum brings together innovative ideas and companies developing solutions and practices to increase the value of property assets. Smart city case studies will be made by the likes of Barcelona, Gothenburg, Edmonton and Grenoble, while sustainable urban living champions, Urban Farmers, will make their first appearance at the world's real estate market.

New this year, MIPIM is hosting the inaugural MIPIM Startup Competition devoted to the most dynamic and promising international startups and their real estate & urban management solutions. Following selection rounds at MIPIM UK and MIPIM Asia last year, MIPIM in Cannes will conclude the selection of finalists and unveil the overall winners.



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