



MIPIM-SPECIAL

30th MIPIM: LEARNING FROM THE PAST, ENGAGING THE FUTURE

It was the year Nelson Mandela walked free from prison, the Berlin Wall came down leading to the reunification of West and East Germany and Tim Berners-Lee carried out the first trials of the World Wide Web. It was 1990 and in Cannes, France, a new international business event for the real estate sector was unveiled, writing the first chapter in what has become the MIPIM story.

"The Davos of Real Estate"

With some 26,000 delegates including around 5,400 investors representing over 100 countries scheduled to attend the 30th edition of MIPIM, the annual gathering of what has been referred to as "The Davos of Real Estate", has established itself as the world's leading property market. In 1990, however, the concept of an international real estate market was almost unheard of. With a handful of exceptions, property companies operated within their own national borders.

The idea of the real estate sector being an "asset class" with sub classes such as logistics, data centres, student housing, health-care or senior citizen residential care homes, was unheard of and was certainly not attracting the interest of the major sovereign, pension and institutional investment funds. And sustainable urban development, bringing together public and private sector partners, wasn't even being discussed. Over the past three decades, the real estate industry has clearly embraced globalization and where, in the 1990s, North America and Western Europe set industry standards, today, those standards are increasingly being found in Asia Pacific and the MENA countries that do not have to deal with ageing infrastructure. In addition, investment flows have shifted with Asian and Gulf-based in-

vestors becoming the dominant players in the capital market.

With over half the world's citizens living in cities, a millennial generation arriving on the job market with different aspirations, new work/lifestyle expectations and an affinity to new technology, the real estate industry is playing an increasingly important role in national economies and urban social strategies. Since 1990, MIPIM has developed as a forum for the international real estate sector to do business, launch projects, network and discuss major challenges, trends and best practices.

So this year, MIPIM will look forwards with "Engaging the Future" as its central theme, which will also be the subject for discussions at the MIPIM Mayors Think Tank. The closed-door exchange between mayors from around the world will among others include Germany's Katrin Lompscher, Minister of State, Berlin, and Ullrich Sierau, Mayor of Dortmund. Throughout MIPIM, delegates will focus on future economic growth, sustainability, new investment strategies and how to provide urban development while delivering community cohesion.

Ban Ki-moon and Young Leaders Summit

Opening proceedings, with his unique vision of the challenges global leaders face in terms of climate change, economic upheaval, sustainability and the pressure on energy resources, will be former United Nations Secretary-General Ban Ki-moon. And as we look forwards, MIPIM 2019 will host the first Young Leaders Summit to foster inter-generational discussion on the cities of the future and how to develop the necessary skills for the next generation of women and men entering the property business.

The real estate industry has proved resilient, even in the face of the kind of economic meltdown experienced in 2008 and 2009. A decade on and the coming together, albeit slightly late in the day, of property and new technology has led to the emergence of proptech. In 2015, when the central theme of MIPIM was "The Digital Revolution", some clients were left baffled by the choice. Now, MIPIM is proud to host MIPIM PropTech Europe in Paris in July and MIPIM PropTech New York in November.

One of the unique features of MIPIM has been the large number of international investors that attend the event. Over the past eight years, these major fund managers have accessed the MIPIM RE-Invest Summit to exchange ideas on investment strategies and emerging asset classes. This year, MIPIM is launching the first RE-Allocate Summit dedicated to institutional family offices and other capital owners. With the UK/EU situation in limbo, industry analysts say there is potential for Germany to attract increasing inward investment as institutional investors accept the lower yields sometimes associated with the likes of Berlin and Munich, in favour of Germany's stable real estate prospects.

A dedicated German Pavilion

German cities continue to be among the most sought after in Europe with Berlin, Frankfurt, Hamburg and Munich all ranked in the top 10 European investment destinations. Office rentals in major German cities, starting with Berlin, are expected to post healthy rises (3 per cent) through 2022, while Germany's second tier cities such as Hanover, Munster or Leipzig, where office prices are currently lower, are tipped to provide yields of around 4.5 per cent. In terms of delegates and companies/cities represented at MIPIM, Germany consistently is among the top four and 2019 is no exception. With a dedicated German Pavilion and individual stands, German cities exhibiting in Cannes include Berlin, Munich, Frankfurt, Stuttgart, Hamburg, Dusseldorf and Bremen.

With over 100 countries represented at MIPIM, diversity of investment opportunities is very much the order of the day. Despite diverging levels of economic development and political challenges, Sub-Saharan Africa is increasingly appearing on the investment radar. Via the event's conference programme, MIPIM delegates will find out more about the growth hot spots across Africa and investment opportunities. MIPIM exists as a business facilitator and relationship broker for the global real estate industry. MIPIM has been extraordinarily fortunate in the support it has received from the German real estate sector and from such media as Immobilien & Finanzierung. To past, present and future German delegates, the MIPIM team says "Dankeschön".

THE AUTHOR

**RONAN
VASPART**

MIPIM Director,
Reed MIDEM,
Paris

