Top European investment picks

Core / Core plus

For core investors income stability and low risk are key prerequisites. They should be looking for the best-in-class assets, in terms of location, tenant strength, and ESG credentials, notably in relation to their energy footprint. We recommend:

- **Prime offices with high EPC ratings** in cities with dynamic economies, low vacancy rates and solid occupier demand such as London, Paris, Berlin, Munich, Stockholm, Madrid and Amsterdam.
- **State of the art logistics facilities** in markets with high ecommerce penetration and established 3PL operators and online retailers such as UK, Netherlands and France.
- **Stabilised, newly built multifamily assets in major cities** with large and rising populations such as London, Paris, Berlin, Frankfurt, Amsterdam, Stockholm and Copenhagen.
- **Large supermarkets** in accessible locations with strong catchment areas let to established, strong performing food retailers across all European capital cities.

Value-Add

Net zero is going to be the main priority next year and in the coming years for real estate stakeholders. Investors will focus on measuring their assets' carbon footprint, to identify underperforming buildings and to improve their energy performance. This can bring value-add opportunities in the market with good rental uplift potential. Other value-add opportunities may emerge from the need to improve the performance of operational real estate, with more focus on meeting the expectations of the occupiers and successful branding. We recommend:

- **Well-located offices** with energy performance upgrade potential in cities with demand and supply imbalances such as German cities, Amsterdam, Paris, London, Stockholm.
- **Life science facilities** in research and development hubs such as UK Golden Triangle, Randstad and Paris-Saclay.
- **Student housing in large university cities** with low supply of professionally managed student accommodation in Spain, Italy, Poland, and Germany.
- **Healthcare in countries with ageing populations** or with low level of bed per inhabitants (Care homes and Hospitals) such as Germany, UK, France, Spain, Italy, Ireland.
- **Datacentres** in all large urban centres with solid manufacturing, healthcare and financial services GVA prospects or with major digital infrastructure network to be delivered soon.
- **Prime retail parks** in well-connected locations with strong catchment areas across capital and regional cities in Europe.
- **Hospitality in established tourist destinations** where visitor flows are expected to rebound strongly post-covid such as Southern Europe and key city break destinations (Italian cities, Prague, Amsterdam, Paris).

Opportunistic

Demand and supply imbalances caused by slow construction activity across several sectors, the need of refurbishment and structural changes are creating a lot of opportunities for investors that are prepared to take on development risk.

- **Multifamily development** in partnership with local developers in secondary cities in countries with strong regional urban centres such UK, Germany, France and Poland.
- **Logistics development** in countries with low but fast-growing ecommerce penetration in Southern and Eastern Europe.
- **Corporate warehouses for manufacturing and storage** as a result of nearshoring trends in Eastern European and Balkan countries.
- **Retail centres in need of active asset management** in well-connected locations with strong catchment areas and high disposable incomes in the UK, Germany, France, Spain and the Nordics.
- **Eco-friendly hospitality developments** with focus on wellbeing, in distinctive locations which benefit from high-speed train connectivity for environmentally cautious travellers such as France, Spain, Germany, Benelux and Italy.
- **Retrofitting and repurposing** of assets across sectors and geographies.

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