

Emerging Trends in Real Estate Europe 2017

New market realities

Join the conversation:
[#emergingtrends](https://twitter.com/emergingtrends)



Key findings

Jacqui Collins

Business Development Director, ULI Europe

Investment into UK to decrease

92%

Investment into rest of EU to increase

48%

Concerned about political instability

89%

Challenging times

#emergingtrends

Concerned about EU economic growth

82%

Targeting lower returns vs 2016

81%

Outperformance more difficult to achieve

68%

City investment prospects



“Cities matter; more and more people want to live in them. We are spending more time on next year’s cities – focus on transportation, infrastructure, education”

Cities rankings 2017 (investment and development prospects)

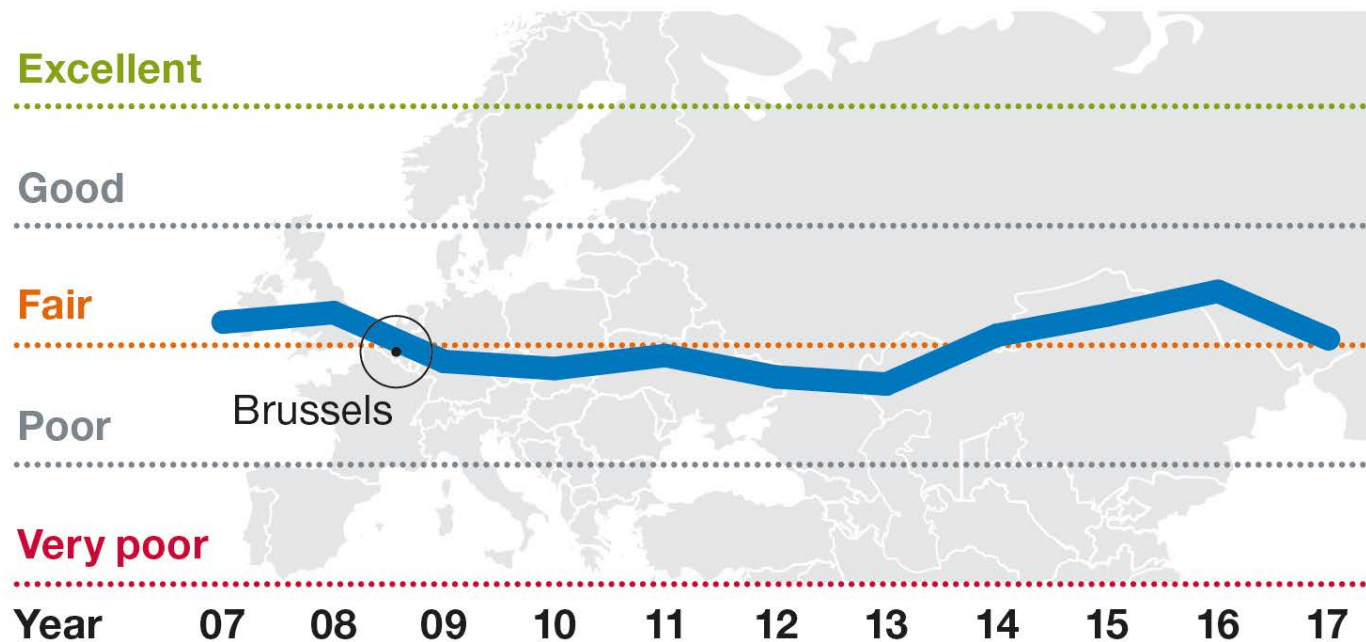
1. Berlin
2. Hamburg
3. Frankfurt
4. Dublin
5. Munich
6. Copenhagen
7. Lisbon
8. Stockholm
9. Madrid
10. Lyon

17. Paris
26. Brussels
27. London
29. Athens

“We’re positive about Germany, which is going to be a safe haven in most scenarios, even if the Eurozone breaks up.”

Brussels (26)

- Investment prospects rank 26 (2016: 21)
- Development prospects rank 23 (2016: 23)



“Brussels is a very stable market. It is not cyclical. You cannot make a lot of benefits, but you can’t lose a lot either.”

Interviewees

“Brussels is very sensitive to European success. European institutions are already bargaining hard to get better deals and put more people into fewer square metres. That trend will mean smaller buildings.”

“Mobility in Brussels is getting even worse, and public transport is not a real alternative”

“Brussels is still a flat, boring market,” concludes one local developer. “If you are in the right place you can rent and sell. You can make your money and you will be able to as long as nothing dramatic happens to the European institutions.”

“Office availability in prime areas is very low. All the companies are trying to put their people within reach of restaurants and shops, communications and transport.”

Sectors

#emergingtrends

More operational risk

61%

Considering alternatives in 2017

44%

Responding to demographic/social change

69%

Sector rankings 2017 (investment prospects)

1. Student housing
2. Private rented residential
3. Retirement/assisted living
4. Logistics facilities
5. Shared / serviced offices
6. Healthcare
7. Hotels
8. Serviced apartments
9. Parking
10. Housebuilding for sale

Biggest trends impacting real estate between now and 2030



New market realities

“It’s all about amenities and being together and living together. It challenges cities to create a kind of ‘real estate industry 2.0’. It’s an opportunity... and a risk if we get it wrong.”

Director, pan-European lender



“The insights we get as owner, as user, as tenant from big data represent one of the most important long-term trends. The availability of data will add a lot of transparency to any market and will be very important for making investment decisions. It will also affect pricing.”

Head of Real Estate, European pension fund

“We are building buildings into a technological future that we have no idea what it will look like.”

Disruptive trends are too important to ignore - time to make bold decisions

More information

www.pwc.com/emergingtrends

www.uli.org

#emergingtrends

Emerging Trends in Real Estate Europe 2017

New market realities

Join the conversation:
[#emergingtrends](https://twitter.com/emergingtrends)

