Emerging Trends in Real Estate Europe 2016

New market realities

Join the conversation:

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Welcome

Michael Henderson

Chairman, ULI Scotland & Partner, Shepherd & Wedderburn

John Forbes

ULI UK Executive Committee Vice Chair & Partner, John Forbes Consulting

The real estate market

Liz Waller
Executive Director, ULI UK

Brexit effect

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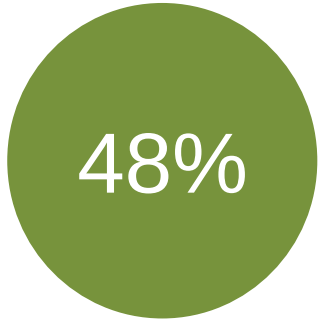
Investment into UK to decrease

Investment into rest of EU to increase



Concerned about political instability

Challenging times

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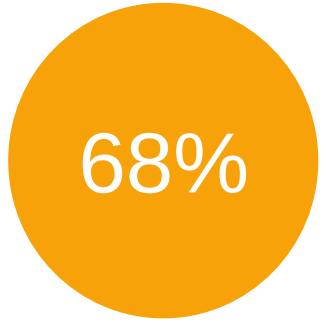
Concerned about EU economic growth

Expect same/lower returns vs 2016

Outperformance more difficult to achieve



City Investment Prospects

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"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"

City Rankings

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

22. Birmingham
23. Manchester
24. Edinburgh
27. London

"There could be opportunities coming out of the political shifts – will Edinburgh become a capital city, which would make it more attractive to invest in?"

Edinburgh

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Edinburgh

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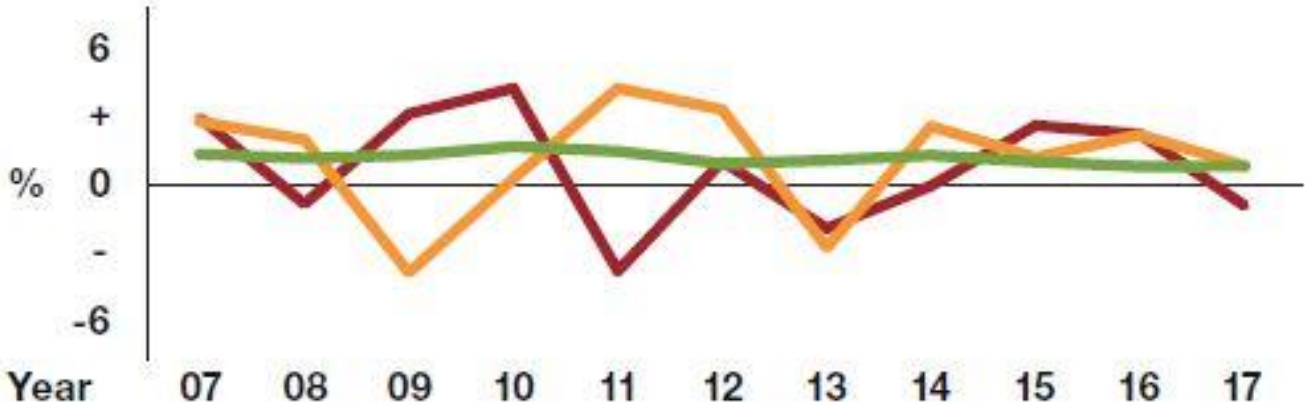
Population, employment and disposable income per capita, annual change 2007–2017



Source: Moody's Analytics

Sectors

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More operational risk

61%

Considering alternatives in 2017

44%

Responding to demographic/social change

69%

Sectors - Investment Prospects

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1. Healthcare
2. Retirement/assisted living
3. Student housing
4. Private rented residential
5. Affordable housing
6. Data centres
7. Serviced apartments
8. Housebuilding for sale
9. High street shops
10. Social housing

It’s all about residential

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“Student housing has now evolved into an asset class that yields attractive returns for a very solid and low risk profile.”

“The private rented sector in the UK is a compelling opportunity because of the limitless demand.”

“Residential is on the radar and is undervalued because it gives long-term, stable returns.”

New market realities - 2030 view

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Panel discussion

Nick Ireland, Co-Head, Direct Property UK, Aberdeen Asset Management

Steve McGavin, Planning and Development Director, GL Hearn Limited

Caroline Shand, Partner, Property & Infrastructure, Shepherd and Wedderburn

Moderator: John Forbes, Partner, John Forbes Consulting

Q&A

More information

uk.uli.org : ULI UK Annual Conference 24 May 2017, London

www.pwc.com/emergingtrends

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Thank you

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