

Konference om ejendomsmarkedet 2022



At a glance



2007 “If 12 o’clock is the top of the cycle, we are at five or 10 minutes to 12”



2008 “Fear is back”



2009 “The going gets tough”



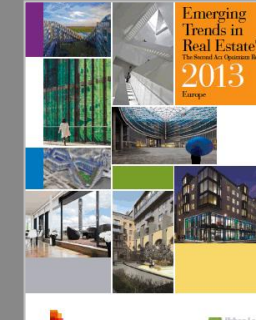
2010 “Expect a long, slow haul”



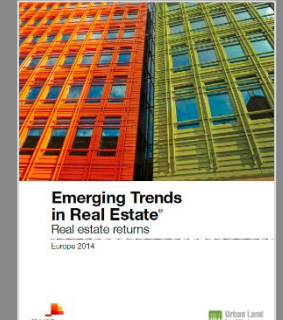
2011 “Adapt or die”



2012 “Prepare for the Big Freeze”



2013 “The Second Act: Optimism Returns”



2014 “Real estate returns”



2015 “A balancing act”



2016 “Beyond the capital”



2017 “New market realities”



2018 “Reshaping the future”



2019 “Creating an impact”



2020 “Climate of change”



2021 “An uncertain impact”



2021 “Road to recovery”

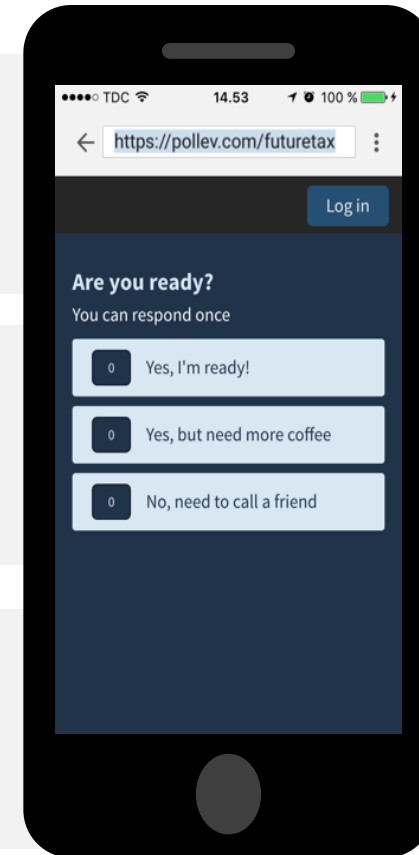


Dagens program

- 9:00 Velkomst
Karina Hejlesen, PwC
- 9:15 **Præsentation af rapporten 'Emerging Trends in Real Estate in Europe 2022'**
Karina Hejlesen og Søren Thorvaldsen Svane Keller, PwC
- 9:45 **Det danske perspektiv på rapporten 'Emerging Trends in Real Estate in Europe 2022'**
Christian Støtt Hansen, PwC
- 10:05 Pause og networking
- 10:30 **Lagerbeskatning af investeringsejendomme**
Søren Thorvaldsen Svane Keller, PwC
- 10:50 **Paneldebat: Hvilken betydning har ESG for ejendomsmarkedet?**
- Peter Hebin Bruun, ATP Ejendomme A/S
 - Torben Modvig, CASA A/S
 - Rasmus Nørgaard, Home.Earth & NREP
 - Susanne Stormer, PwC
- 11:30 Frokost og networking

Tror du - i lyset af ESG, Brexit og Covid-19 - at de mest populære investeringsbyer vil være ændret inden for de kommende 5 år?

- 1 Åben din internet browser (Safari, Chrome etc.) på din telefon eller tablet.
- 2 Skriv www.pollev.com/pwcevents113
- 3 Du er nu klar til at stemme

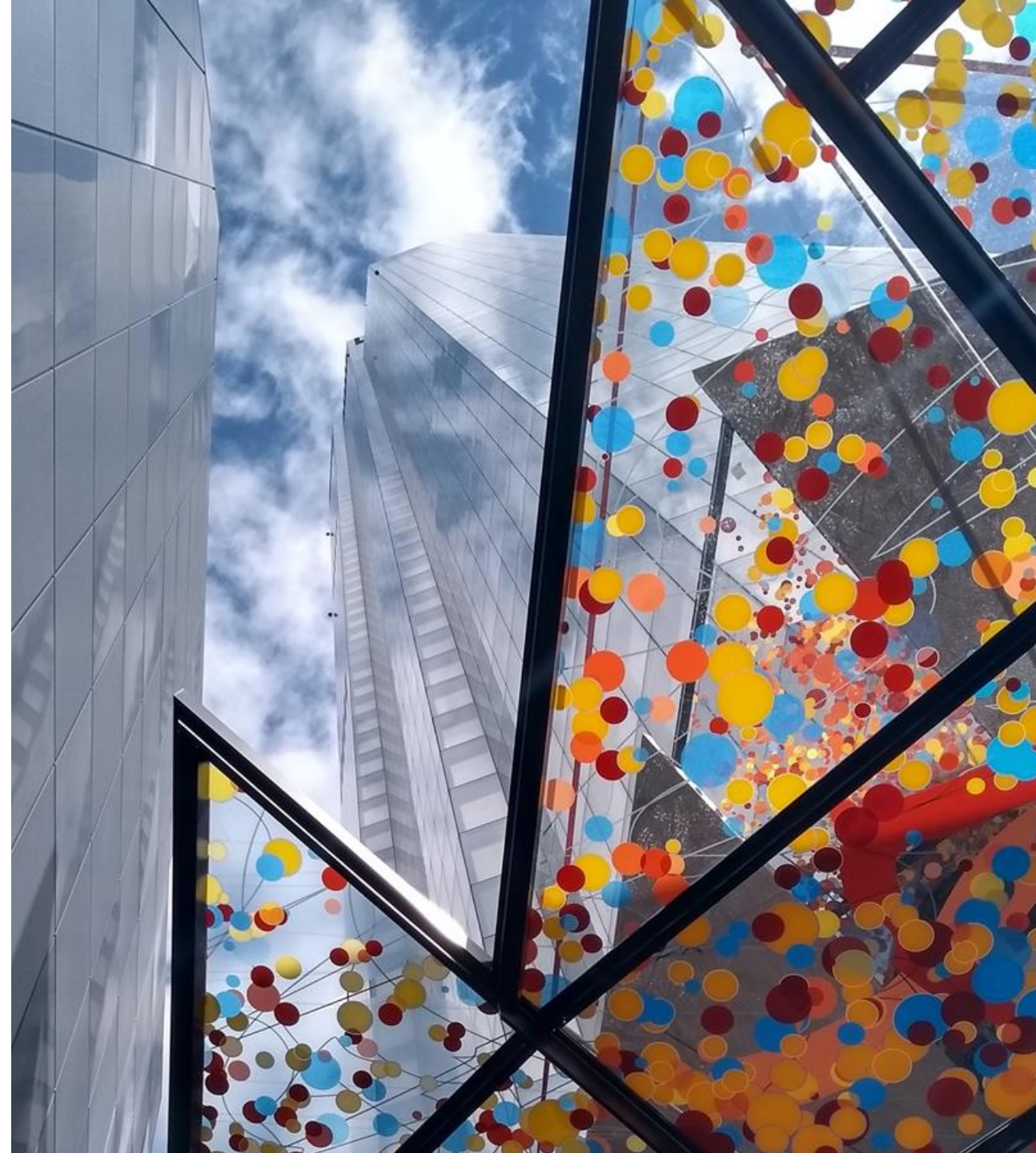


Emerging Trends in Real Estate Europe 2022

Road to recovery

Lisette van Doorn
Chief Executive, Europe
Urban Land Institute

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“

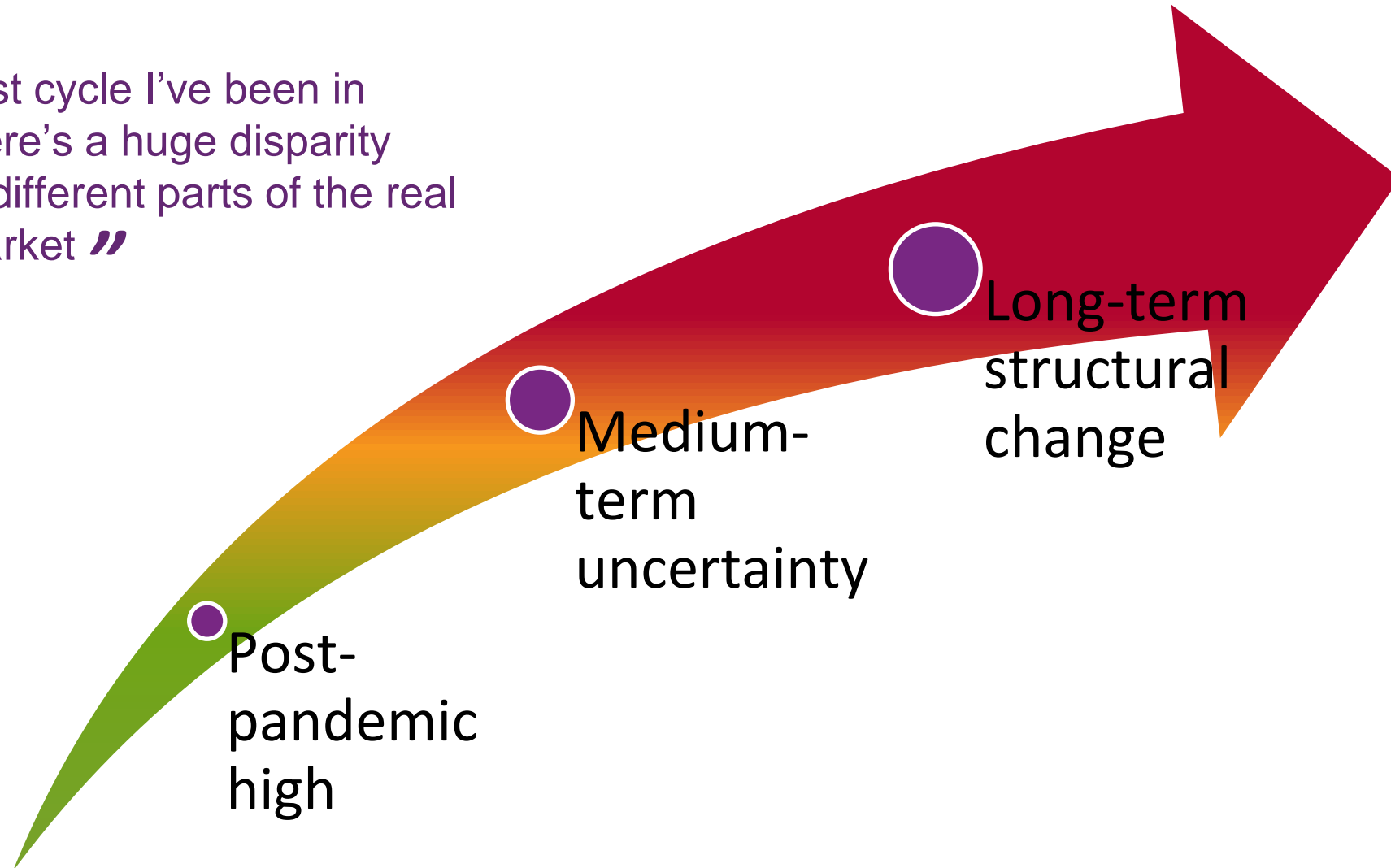
Road to recovery:
moving on from the
pandemic

”

Three Stages to Real Estate Recovery

#ETRE22

“It’s the first cycle I’ve been in where there’s a huge disparity between different parts of the real estate market”



How does this translate into our themes for 2022?

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Road to recovery

#1 Post-pandemic high

#2 Inflated longer-term concerns?

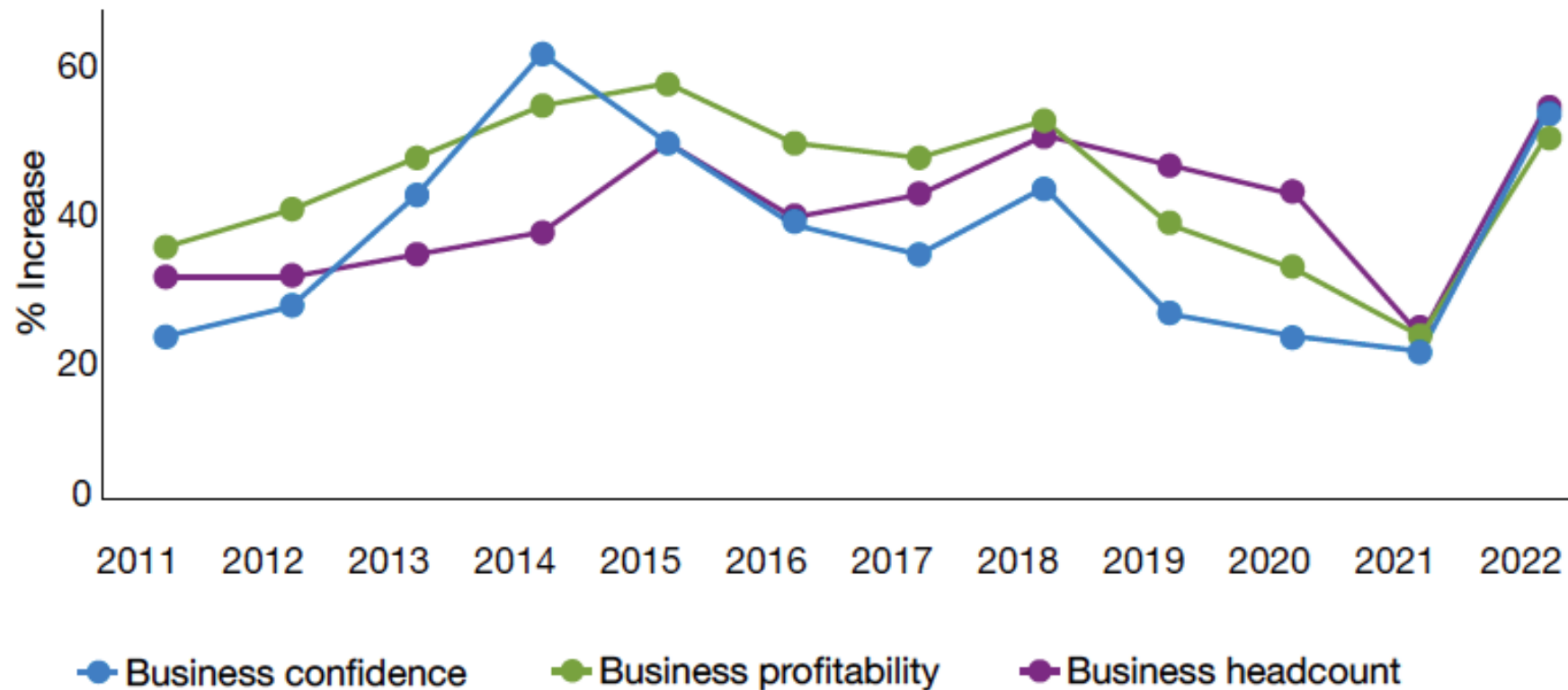
#3 Energy for change

#4 City stability

#5 Organisational change

#1 Business bounce-back with post-pandemic high

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“The pandemic slowed down a lot of processes in acquiring assets, but the business performed surprisingly well In the end.”

#1 Equity appears plentiful but wide variation between sectors

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Access to equity in 2022

Alternative sectors



Value added real estate



Development



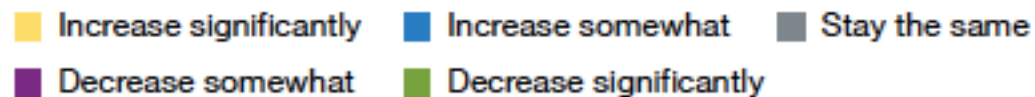
New investment



Core real estate



Opportunistic real estate



“Capital is unlimited at the moment. It’s the most I’ve ever seen in 35 years of doing this.”

#1 Debt accessibility mostly increasing for alternative sectors and core

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Access to debt in 2022

Alternative sectors



Opportunistic real estate



Development



New investment



Value-added real estate



Core real estate



Refinancing



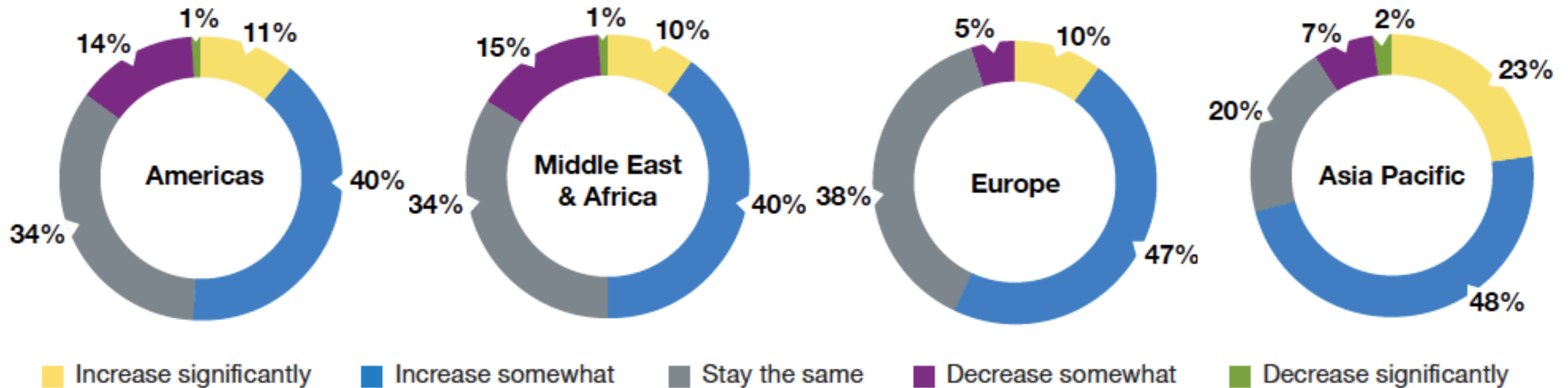
“With alternative assets, when the fundamentals are strong, banks will be more open-minded, but they’re often alternatives because of their size or liquidity issues.”



#1 Confidence that non-European buyers will return

#ETRE22

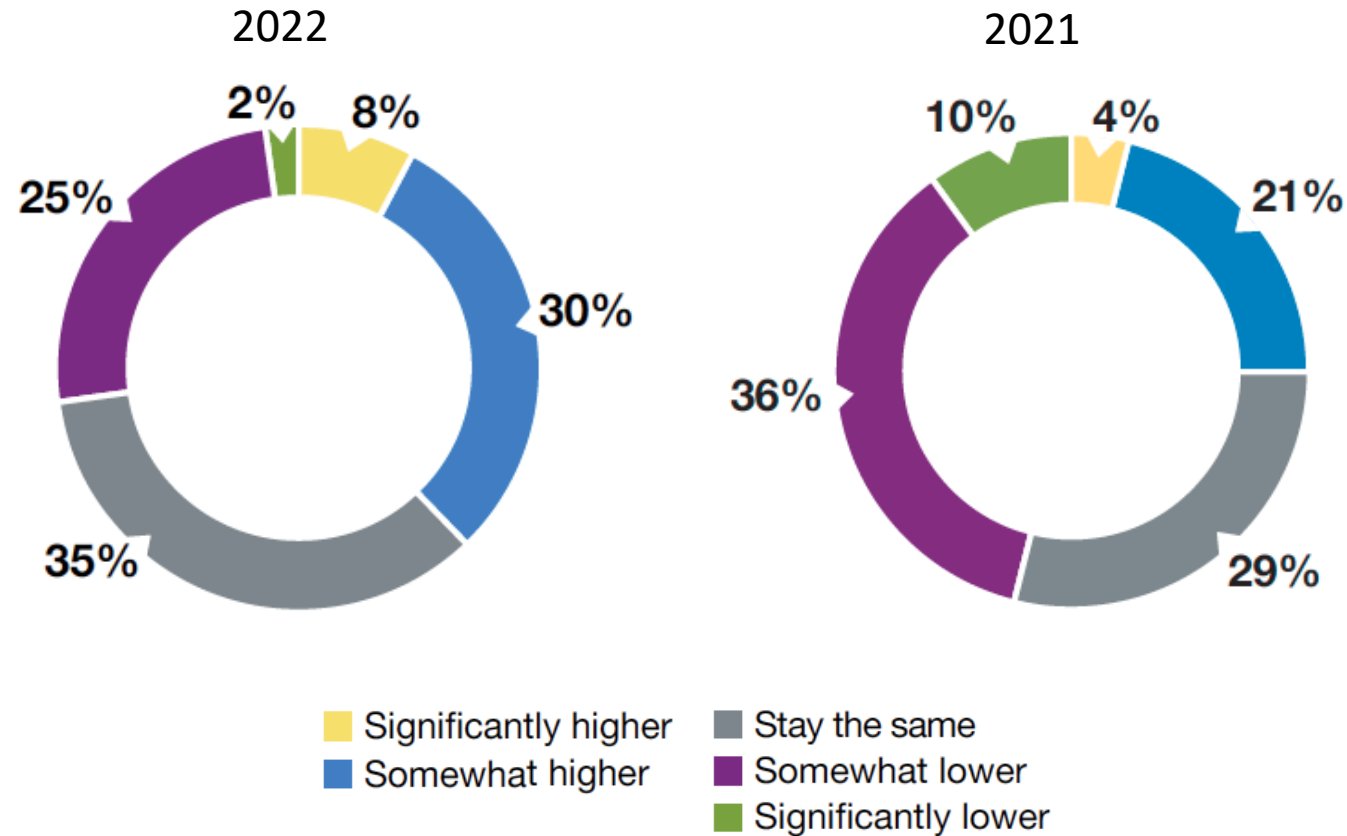
Expected cross-border capital into Europe in coming three to five years



#1 Predictions that returns will be higher in 2022

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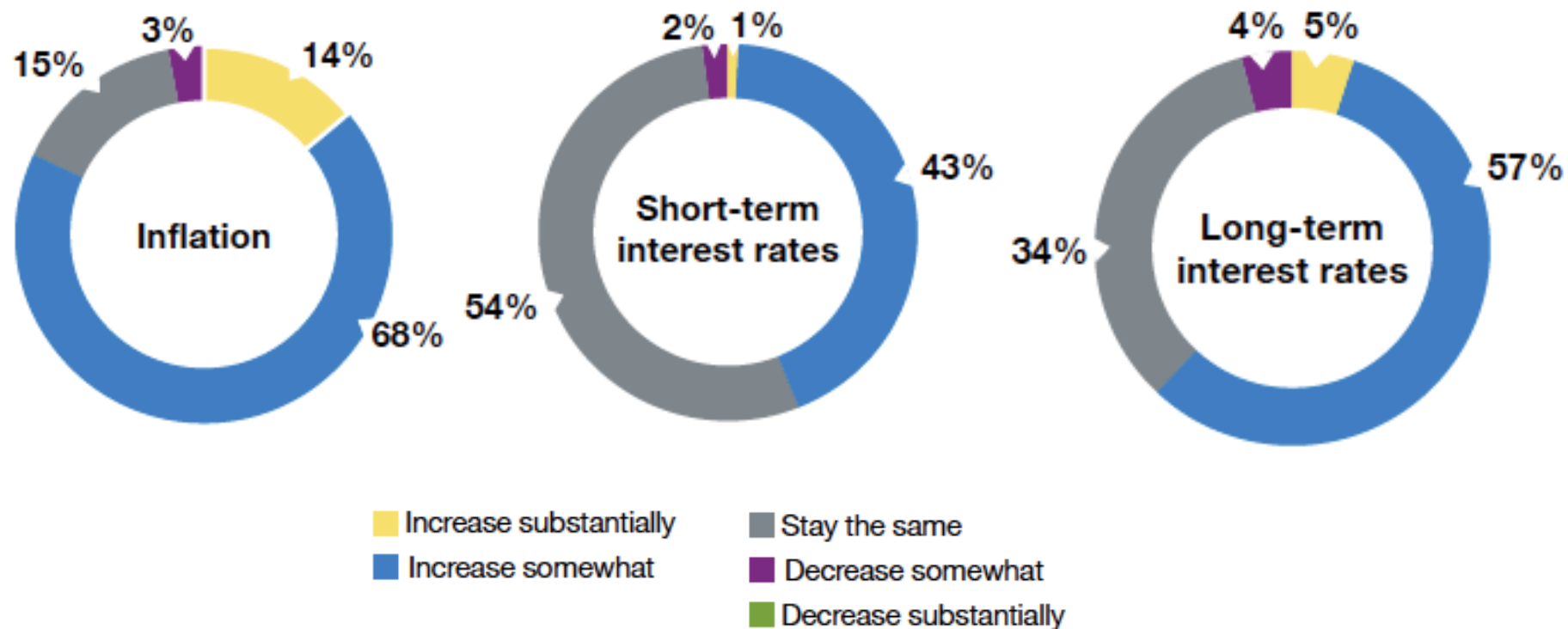
Returns targeted in 2022 and 2021 compared to previous years



#1 All signs are that the appeal of real estate continues...however

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Inflation and interest rates in 2022



How does this translate into our themes for 2022

#ETRE22

Road to recovery

#1 Post-pandemic high

#2 Inflated longer-term concerns?

#3 Energy for change

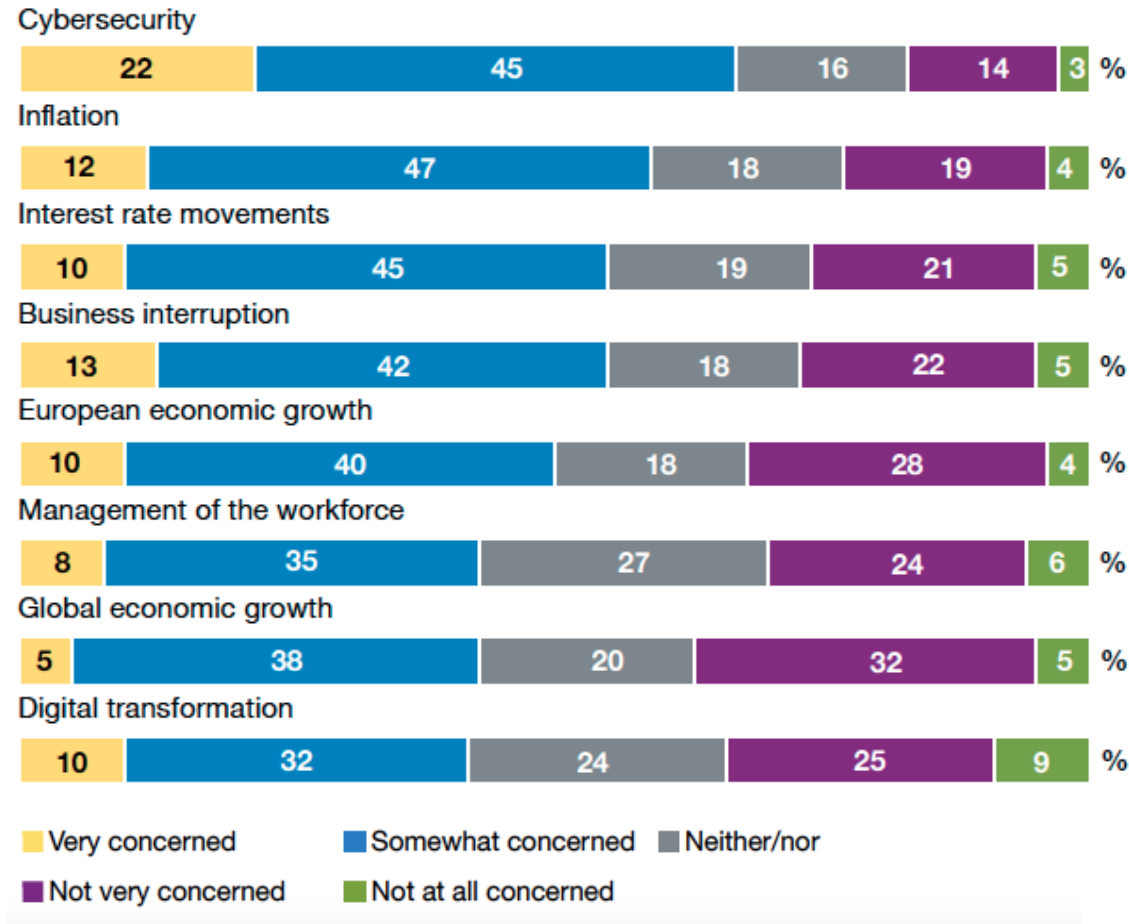
#4 City stability

#5 Organisational impact

#2 Cybersecurity and inflation top wider concerns for 2022

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European business environment in 2022



“Cybersecurity is one of the many things that we have to deal with, especially now that the digitalisation of offices is becoming more relevant.”

#2 Construction costs still an immediate issue

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Real estate issues impacting business in 2022

Construction costs and resource availability



Availability of suitable assets/land for acquisition and development



Sustainability/decarbonisation requirements



Increased government intervention at international, national and city level



Asset obsolescence



The need to evolve investment strategy to reflect a changing market



Availability of (re)finance



Covenant and loan servicing issues for existing loans



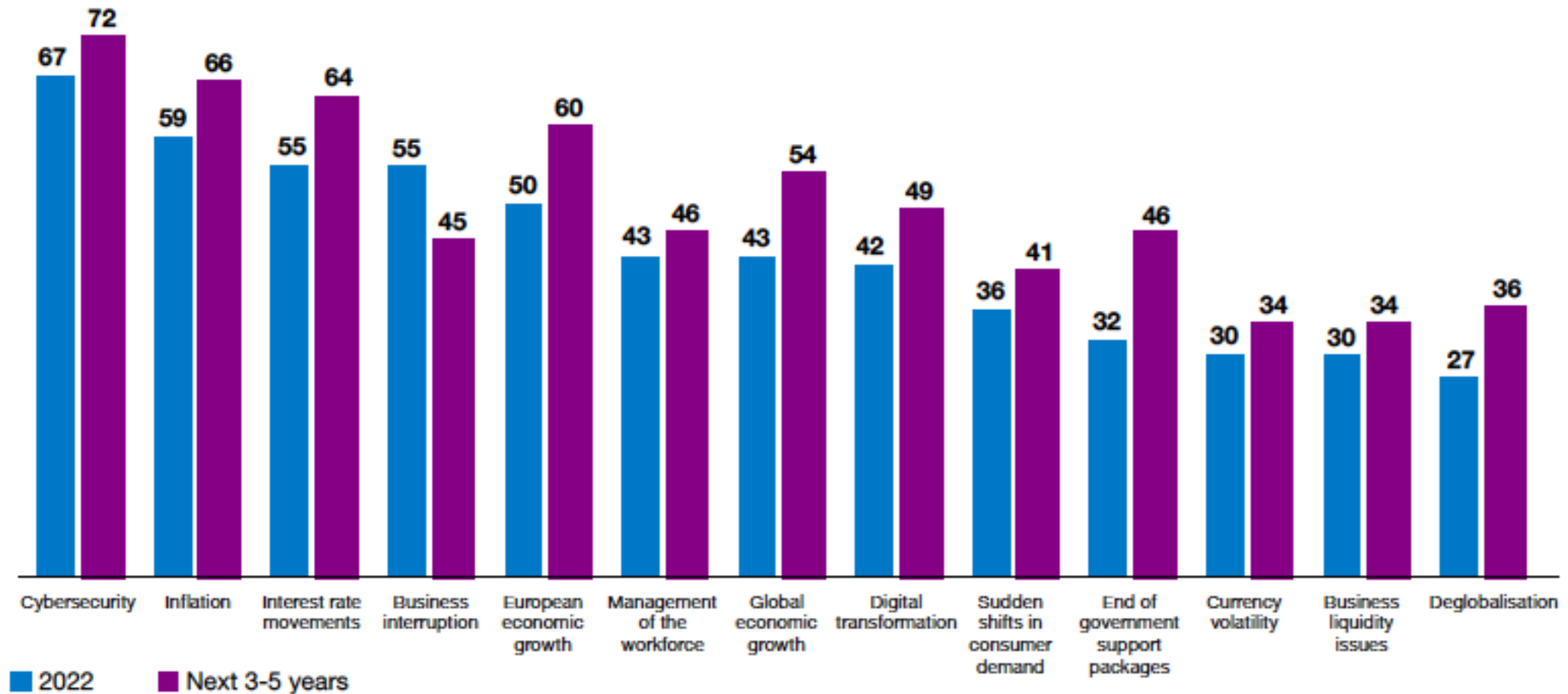
Very concerned Somewhat concerned Neither/nor
Not very concerned Not at all concerned

“Construction costs are increasing because of a lack of people, an interruption of supply chains during the pandemic, and also because of a general rise in commodity prices. That is affecting us.”

#2 A lot to be concerned about for the mid to long term

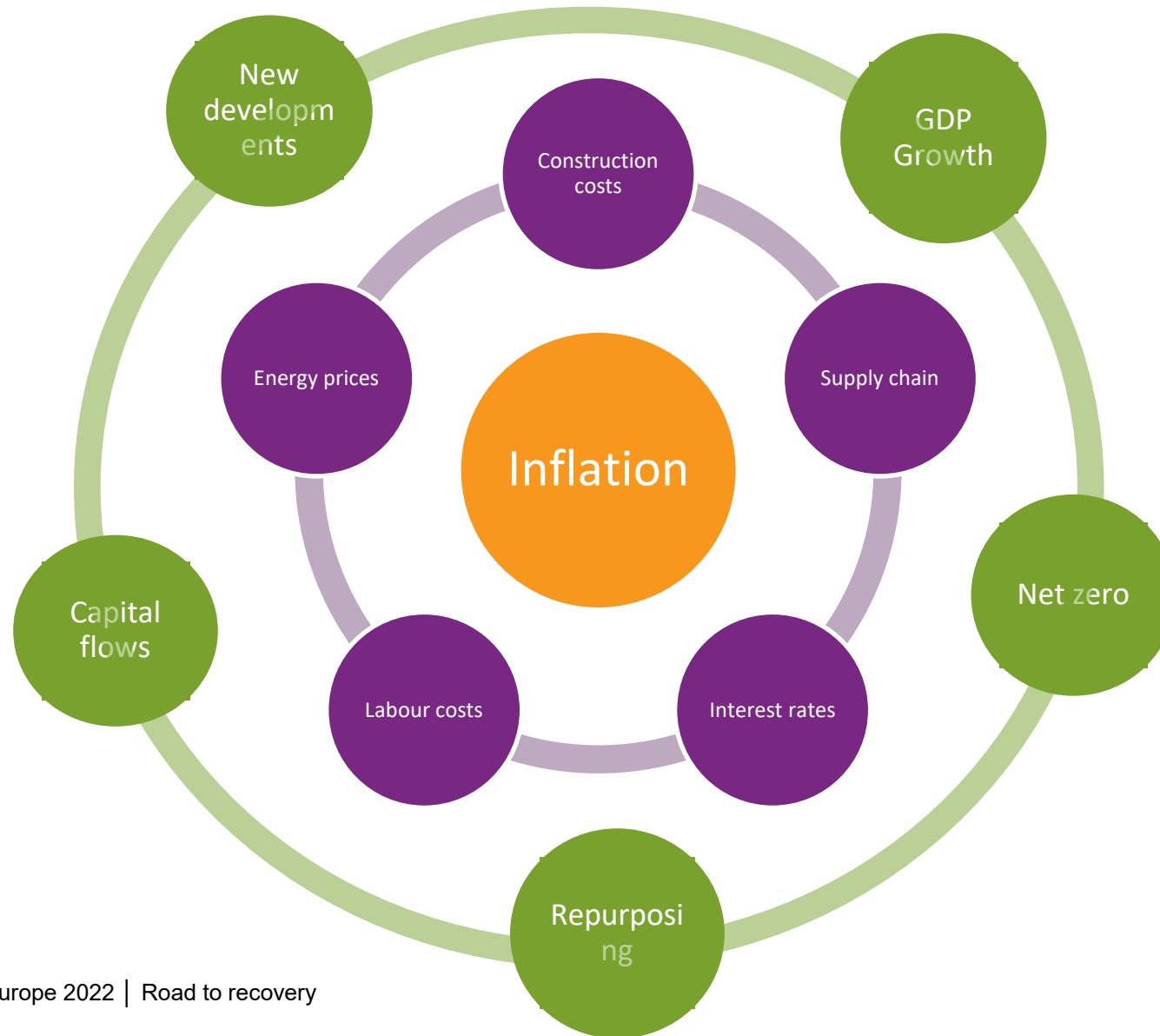
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Issues impacting business for 2022 and over the next three to five years



#2 Potential longer term impact inflation could be a concern

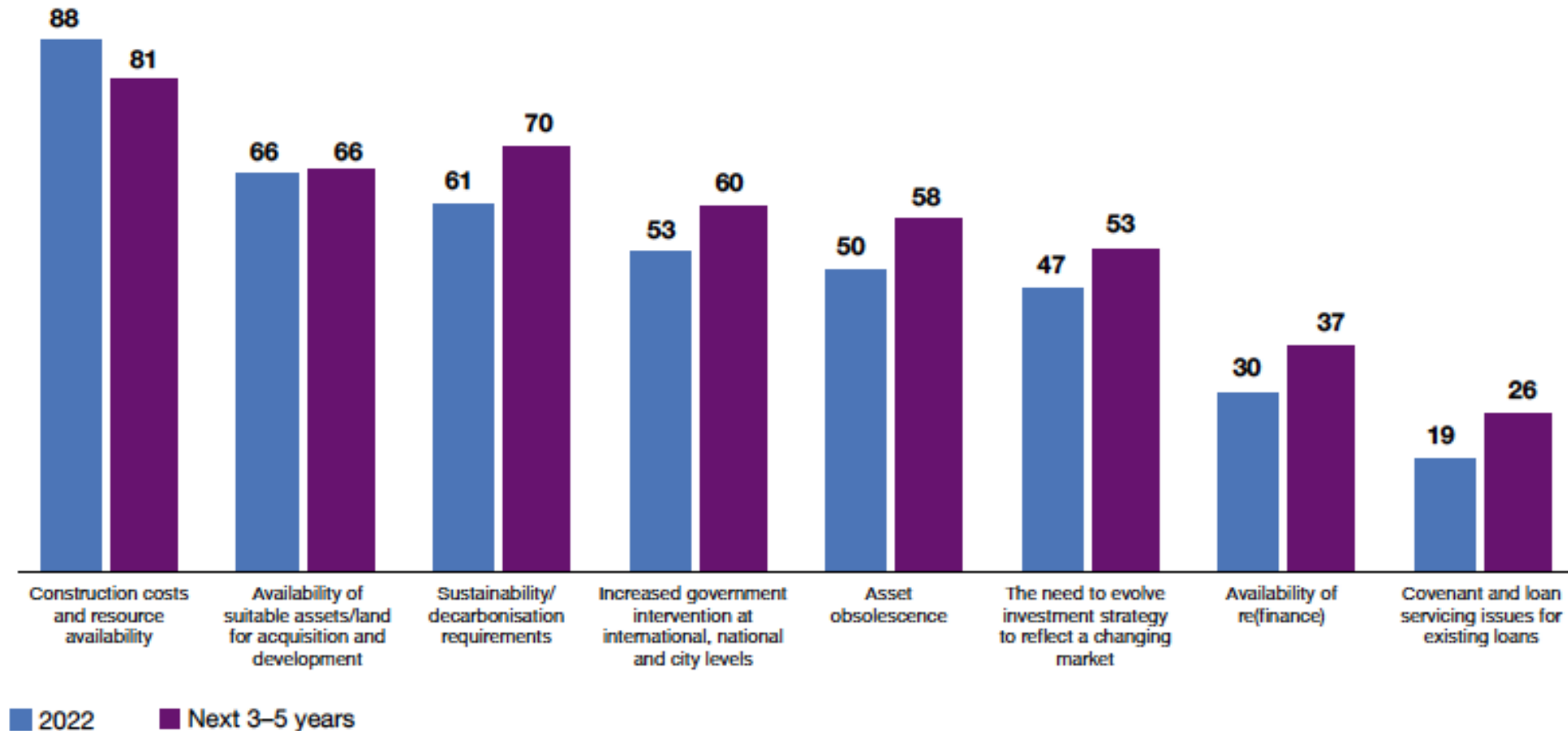
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#2 Also more concerns over real estate issues for longer term

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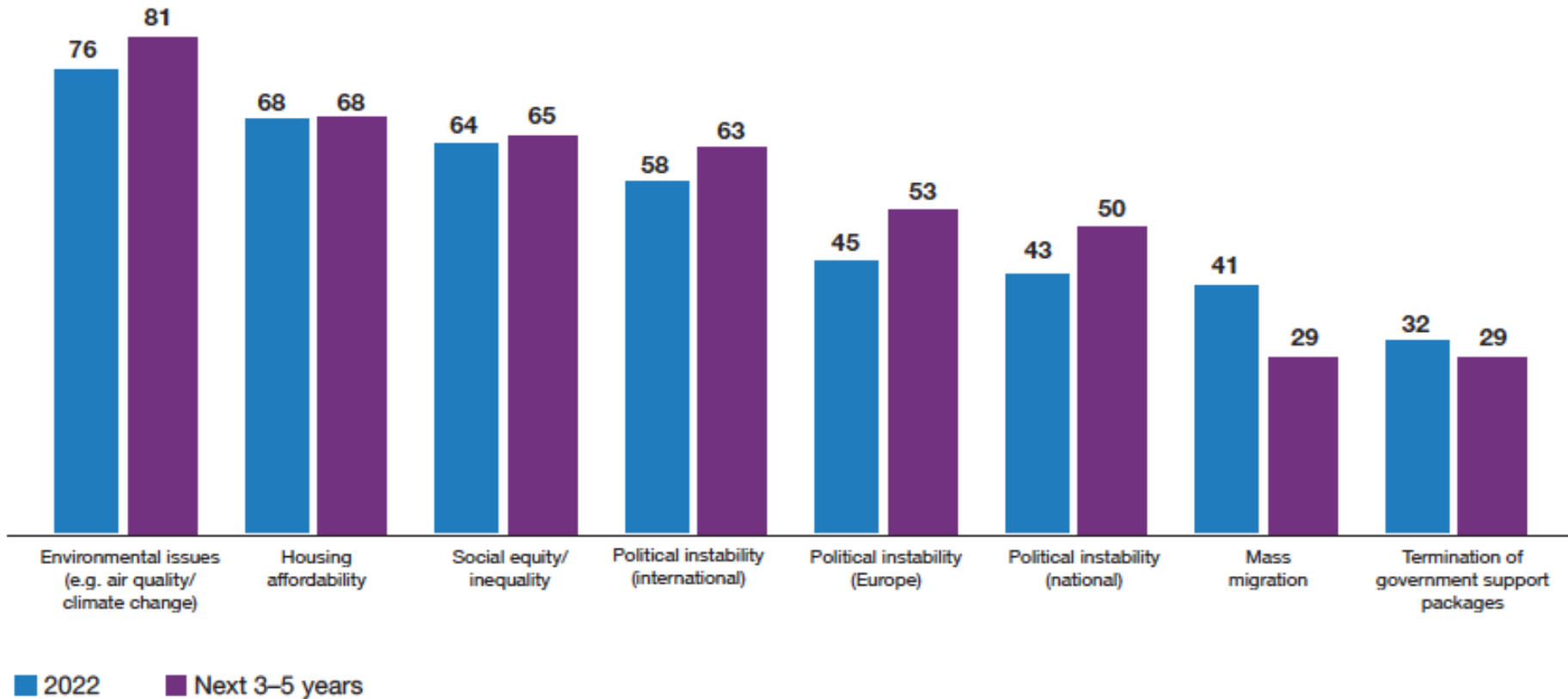
Real estate business issues in 2022 and over the next three to five years



Strong social thread running through industry concerns

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Social-political issues in 2022 and over the next three to five years



“Addressing affordable housing and matters such as homelessness gives us a chance to tackle the ‘S’ in ESG.”

How does this translate into our themes for 2022

#ETRE22

Road to recovery

#1 Post-pandemic high

#2 Inflated longer-term concerns?

#3 Energy for change

#4 City stability

#5 Organisational impact

#3 Tech and demographics lead field for appealing sectors

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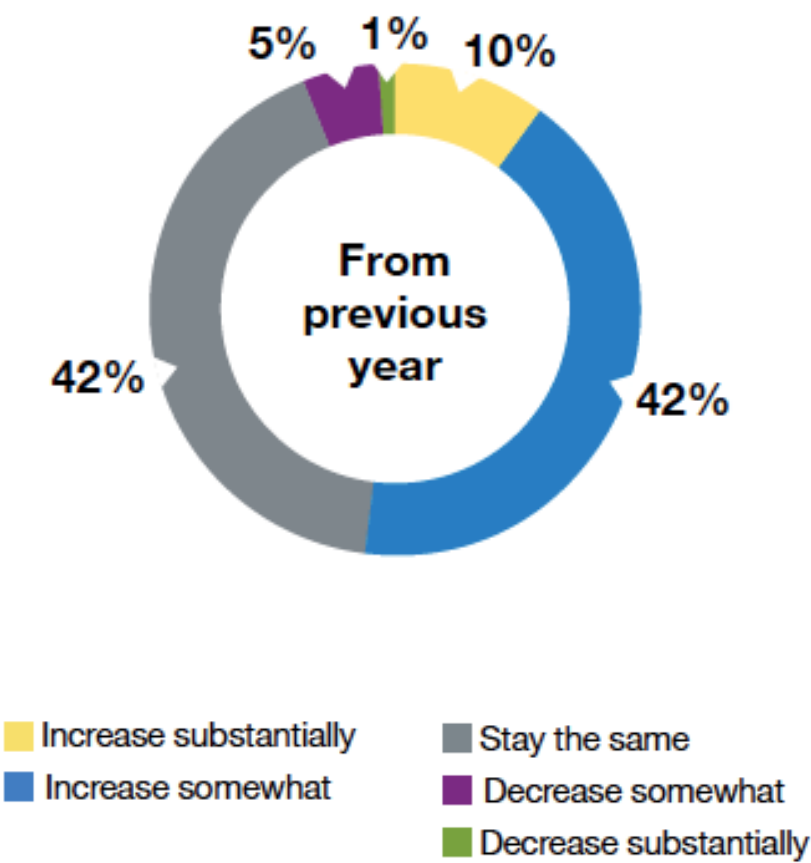
“If we don't produce new housing, then the prices will only go up and the problem will get bigger. So, we're not here to win the popularity vote. We're here to try to make profit and also try to do the good things and the right things.”

“Five years ago, office and retail would have dominated the portfolio. Not today. We are increasingly focused on what's broadly defined as alternative assets”

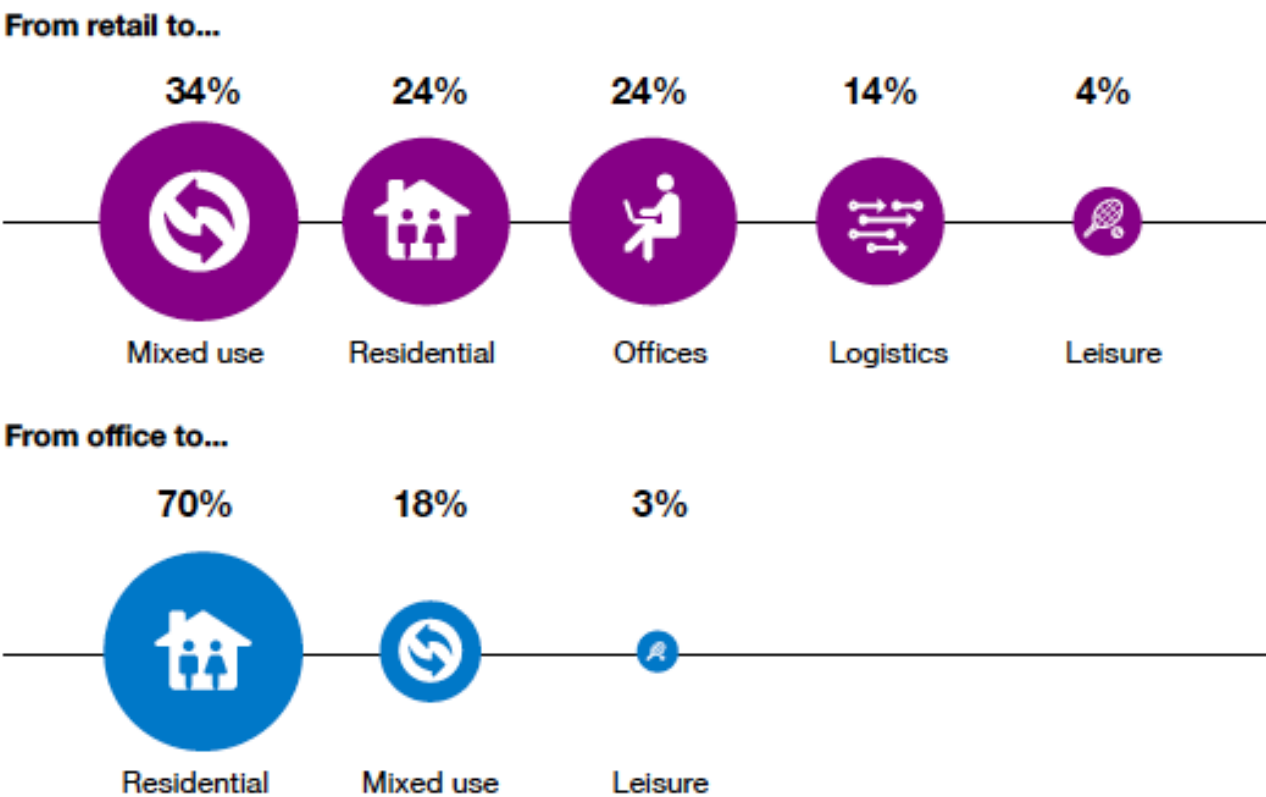
#3 For challenged sectors, repurposing has gathered pace

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Changes in the number of assets repurposed



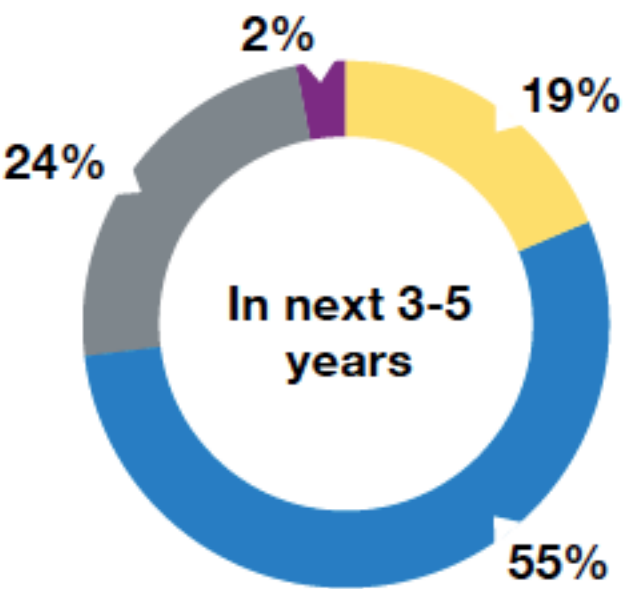
Most common building type repurposed last year



#3 And more repurposing is expected to come

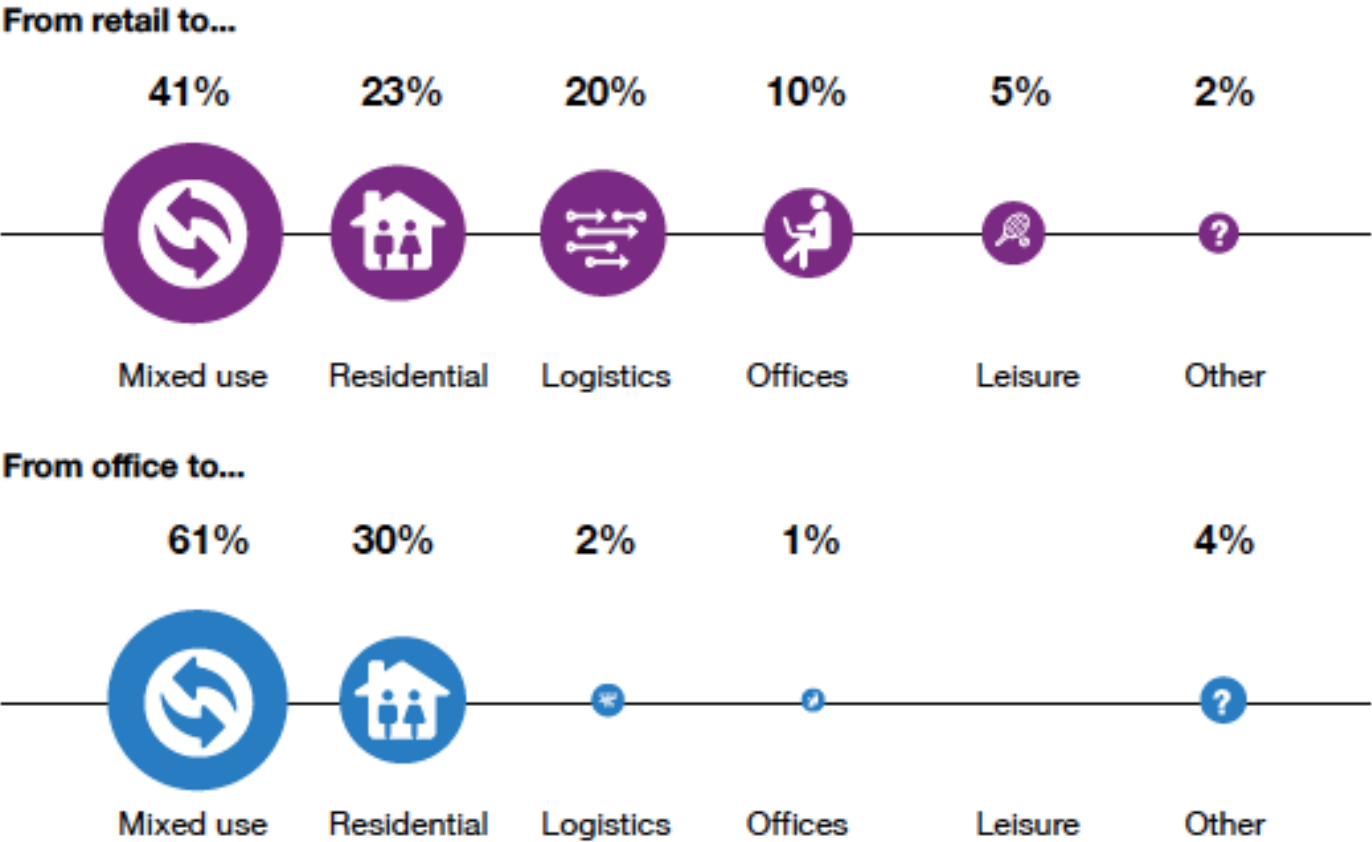
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Changes in the number of assets to be repurposed



- Increase substantially
- Stay the same
- Increase somewhat
- Decrease somewhat
- Decrease substantially

Most common building type to be repurposed in the next three to five years



#3 But it is not that easy in practice

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“The cost of repurposing an asset is big and in a period of high construction costs, it's even harder. So the important point is to have an asset with a very good location of value and that is income producing and then think about the cost of repurposing if needed. It's always harder than to what it seems.”

“Very important in conversations, but super difficult to implement in terms of administrative issues, regulations, technical impacts, costs. It's a lot easier to say that you're going to transform thousands of square meters of offices into ready assets in big cities than to do.”

“Repurposing in theory looks like a huge opportunity. In practice, it can be very cumbersome to get it done, depending on city regulation and the flexibility of city governments.”

#3 Office sector continues to grapple with uncertainty

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Factors driving the future of the office

There will be a lasting increase in the proportion of time people work remotely



HQs are key for branding to convey the company's culture to employees and attracting talent



Offices that lack good ventilation and air quality will face a rent discount



The valuation gap between prime and secondary offices will increase

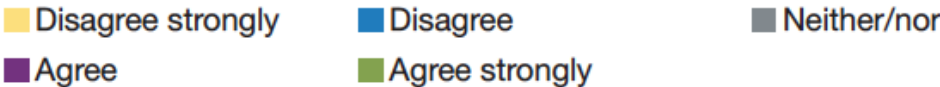


Leased co-working or flexible office space will take up a greater part of occupiers' portfolios



“Office buildings that aren’t in the right locations, aren’t near transportation nodes, are older, don’t have those amenities are going to be challenged.”

%



How does this translate into our themes for 2022

#ETRE22

Road to recovery

#1 Post-pandemic high

#2 Inflated longer-term concerns?

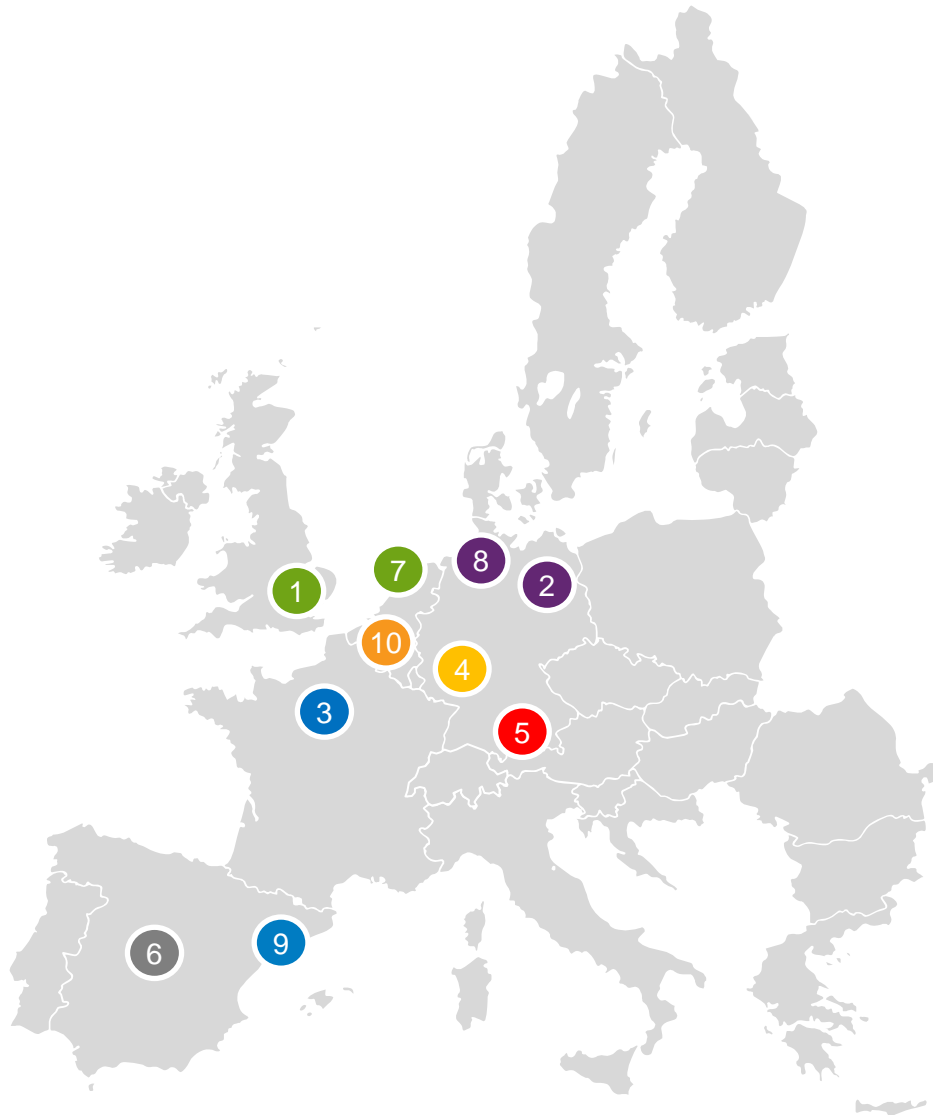
#3 Energy for change

#4 City stability

#5 Organisational impact

#4 Cities rankings 2022: investment and development prospects

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London 1	Berlin 2	Paris 3	Frankfurt 4
Munich 5	Madrid 6	Amsterdam 7	Hamburg 8
Barcelona 9	Brussels 10		

“Everyone was talking down London because of the pandemic and Brexit. But a year later they say it is undervalued.”

“Berlin is a sleeper city. Thirty years since the wall came down, it’s still growing.”

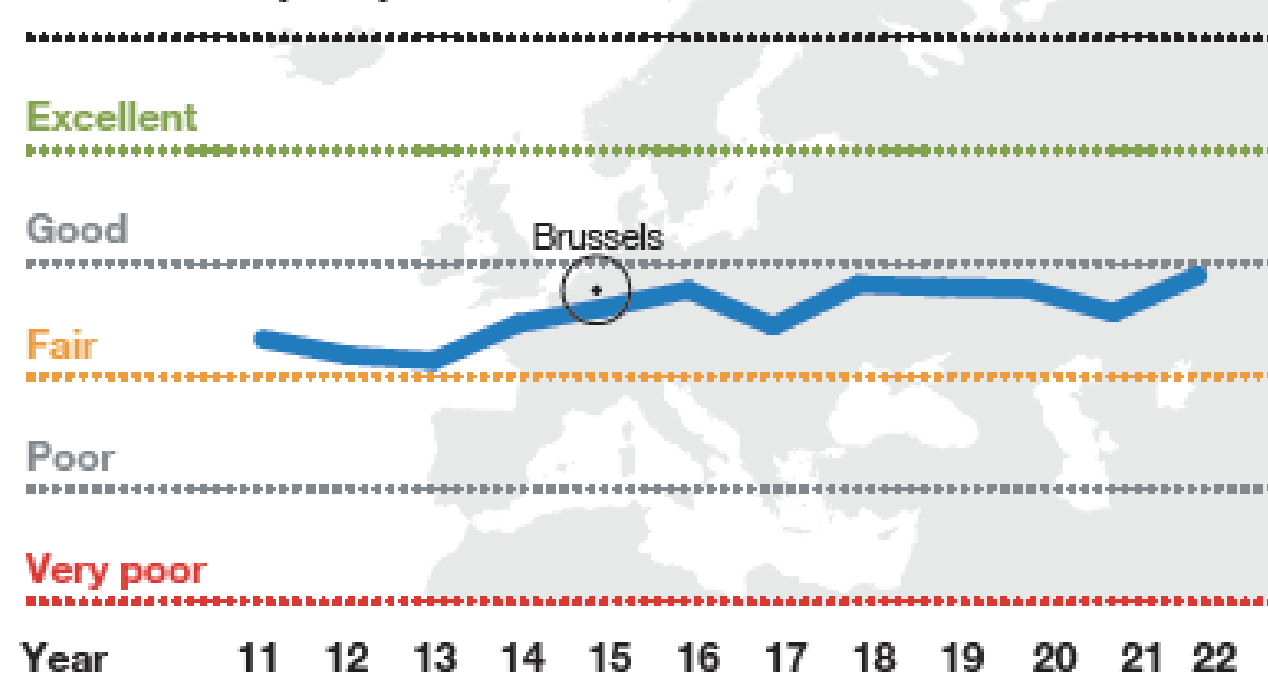
#4 Brussels (10)

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Investment prospects ▲ 3.60

Development prospects ▲ 3.54

Investment prospects: local outlook, 2011–2022



- Brussels's location at the heart of Europe favours the in-demand logistics sector.
- Favoured reputation for innovation and a relatively youthful demographic.
- Short-term concerns over its office market, with vacancy rates potentially rising.

“....a lot of big corporates, including banks, taking on less space and a big increase in available stock.”

How does this translate into our themes for 2022

#ETRE22

Road to recovery

#1 Post-pandemic high

#2 Inflated longer-term concerns?

#3 Energy for change

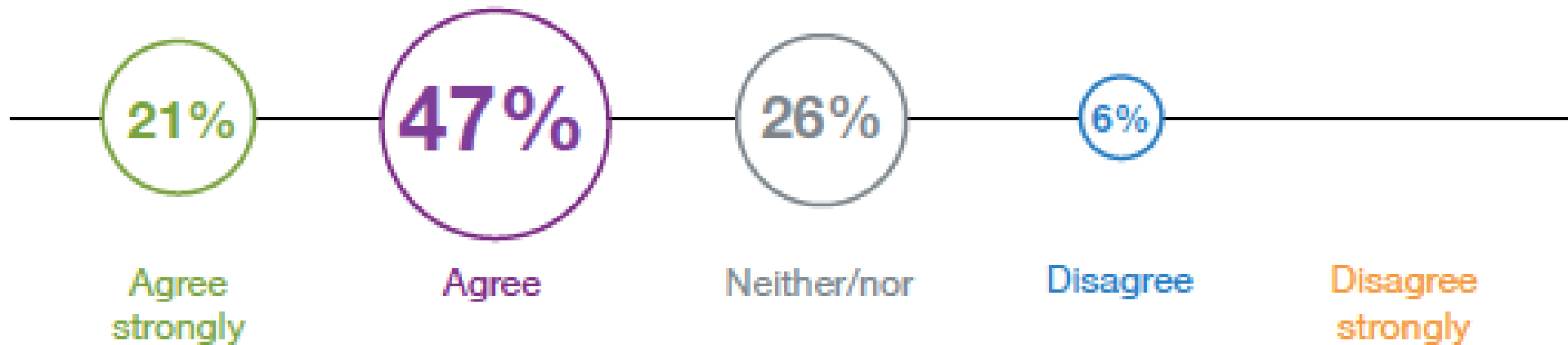
#5 City stability

#4 Organisational impact

#5 Awareness is growing

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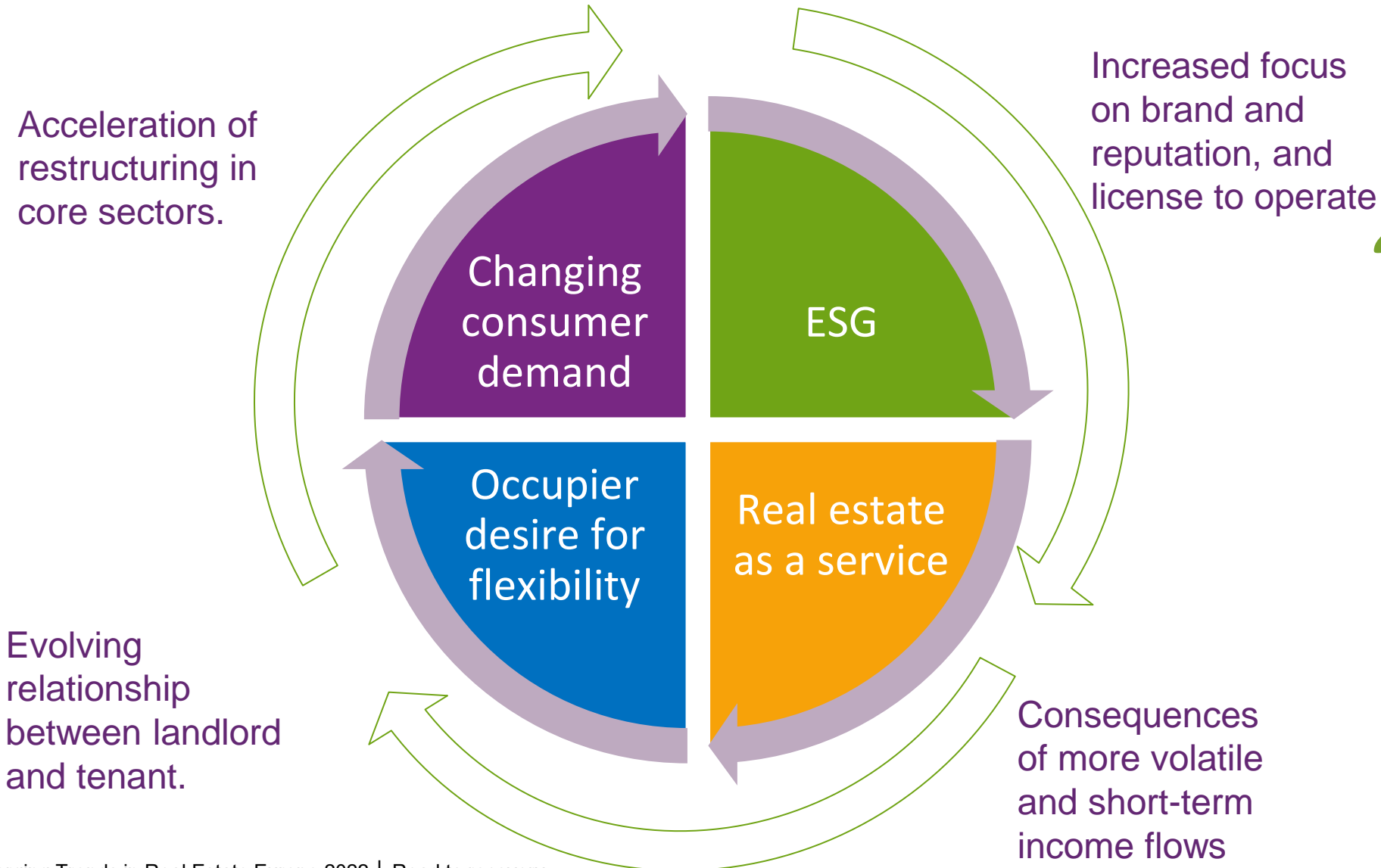
Organisational transformation is a key priority for the next three to five years



“At present, it’s more attractive to work for tech companies than in real estate. When you’re asking people to work in a museum, you lose the younger generation.”

#5 What are the drivers for organisational change?

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“We’re taking into account a different relationship with our tenants going forward. So, we’re rewriting some of our rental contracts to be more flexible and more business-related.”

#5 Culture and fear of change will slow down transformation

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Barriers to organisational change

Existing culture of organisation



Perceived risk of changing business models



Costs of reorganisation



Perceived risk of entering new markets



Belief in superiority of existing arrangements



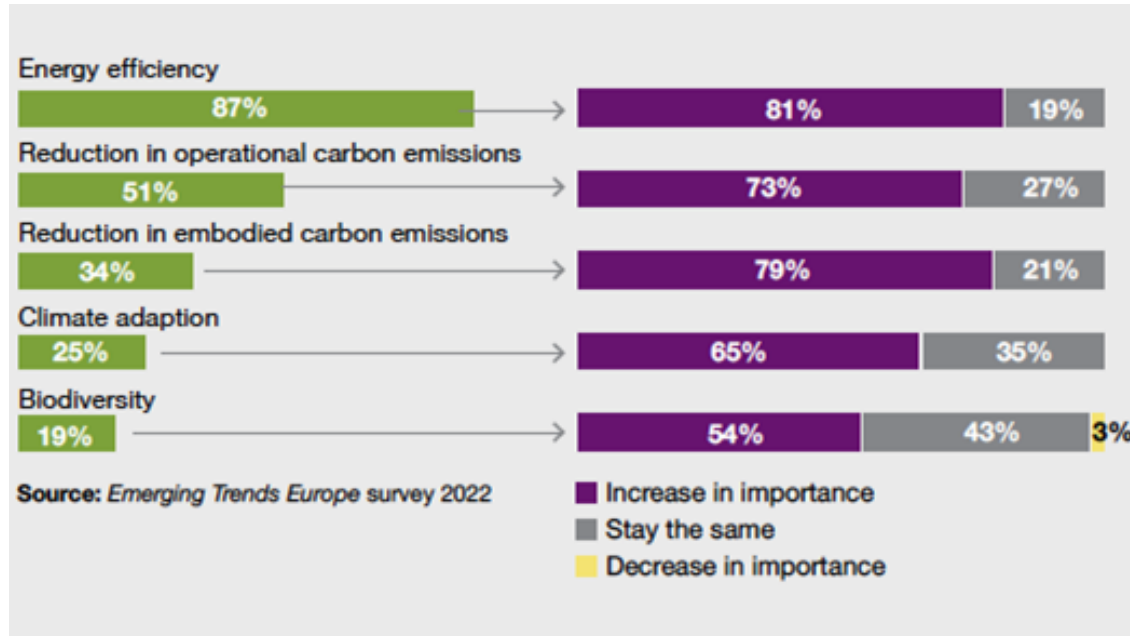
Very important Somewhat important Neither/nor
Not so important Not important at all

“ The differentiation between good and bad managers will start to become even clearer with the increase in services expected. ”

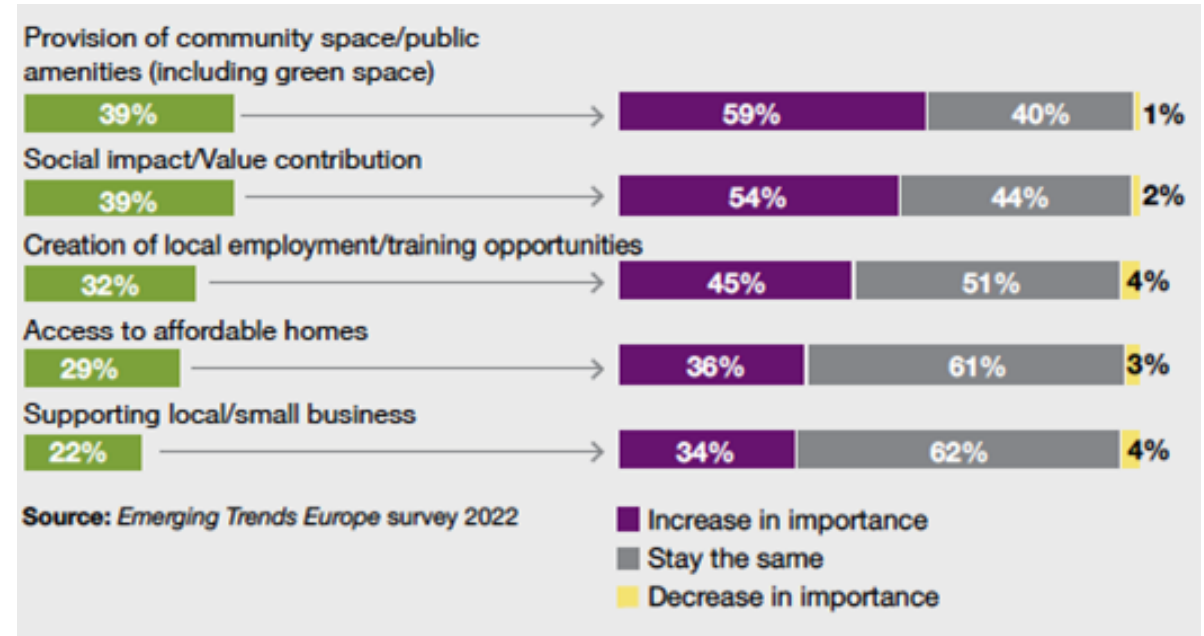
#5 ESG is still mostly dealt with at the operational level

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Environmental issues measured by the industry



Social issues measured by the industry



“ I still don't think we have a credible way of quantifying the impact of ESG. So, it's not really feasible to talk about the payback period of ESG. It's just something we'll have to do to future-proof our assets, and we will have to take the hit. ”

#5 Technology is strong success factor for change

#ETRE22

Key elements successful organisational transformation

Adapting and integrating technology into business processes



Running an environmentally and socially sustainable business



Hiring new, non-traditional real estate skills



Increasing diversity within the organisation



Very important Somewhat important Neither/nor
Not so important Not important at all

“We’re still trying to figure out how technology really changes us and our operations. There is currently a huge hype around proptech, but many of its aspects are not of huge use to our professional business.”

More Information

#ETRE22

europe.uli.org/etre2022europe

pwc.com/etre2022europe

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Emerging Trends in Real Estate®
Road to recovery

Europe 2022



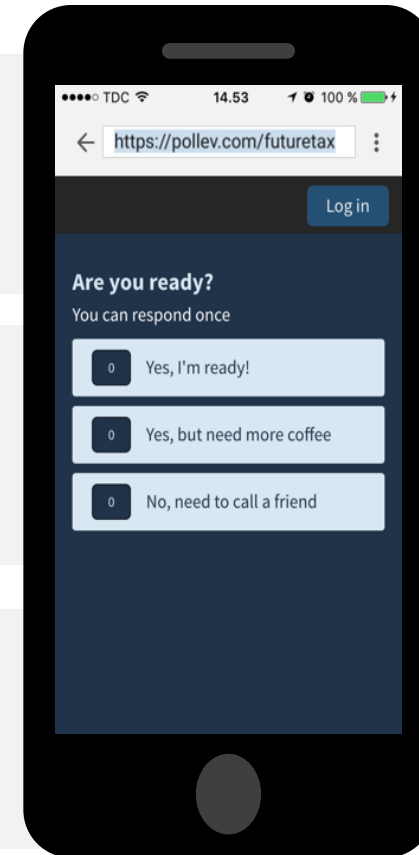


Det danske perspektiv på rapporten 'Emerging Trends in Real Estate in Europe 2022'

Christian Støtt Hansen
Partner, PwC

Tror du, at COVID-19 får nogen langvarig betydning for det danske ejendomsmarked?

- 1 Åben din internet browser (Safari, Chrome etc.) på din telefon eller tablet.
- 2 Skriv www.pollev.com/pwcevents113
- 3 Du er nu klar til at stemme



Emerging trends

- i et dansk perspektiv

Temperaturmåling

- Det danske ejendomsmarked

Rigets tilstand

- Overskrifter for 2021

Vores forventninger til 2022+



Temperaturmåling - Det danske ejendomsmarked

Table 3-1 Overall real estate prospects

Overall rank (2021)	Overall prospects
1 (2) London	2.62
2 (1) Berlin	2.24
3 (3) Paris	1.97
4 (4) Frankfurt	1.93
5 (7) Munich	1.81
6 (8) Madrid	1.80
7 (5) Amsterdam	1.77
8 (6) Hamburg	1.73
9 (13) Barcelona	1.68
10 (12) Brussels	1.37
11 (9) Milan	1.26
12 (10) Vienna	1.25
13 (11) Dublin	1.22
14 (20) Zurich	1.20
Mean	
15 (14) Warsaw	1.15
16 (15) Lisbon	1.02
17 (17) Luxembourg	1.01
18 (18) Copenhagen	1.00
19 (16) Stockholm	0.96
20 (22) Manchester	0.93
21 (23) Rome	0.82
22 (25) Birmingham	0.76
23 (28) Athens	0.72
24 (19) Helsinki	0.71
25 (24) Prague	0.65
26 (21) Lyon	0.58
27 (27) Edinburgh	0.53
28 (29) Oslo	0.46
29 (26) Budapest	0.45
30 (30) Istanbul	0.38
31 (31) Moscow	0.24

Copenhagen (18)

City ranking 2022 (2021)	18 (18)
Investment prospects	^ 4.15
Development prospects	^ 3.97

Investment prospects: local outlook, 2011–2022

Excellent

Good

Fair

Poor

Very poor

Year 11 12 13 14 15 16 17 18 19 20 21 22

Copenhagen



DK holder niveauet på en flot 18. plads for 2021



Ratingen understøtter en god investeringsinteresse i DK – og specielt fra investorer, som har egne kontorer/teams i DK

Rigets tilstand

– Overskrifter for 2021

Underudbud og udenlandsk kapital

- **Udbuddet** står stadig ikke distancen til efterspørgslen – en stor del af kapitalen jagter en lille del af de udbudte ejendomme
- **Udenlandsk kapital** dominerer, og udenlandske spillere etablerer egne kontorer i DK

“If you can’t buy it – Build it!”

- Stort antal **udviklingsprojekter** – Investorerne fortsætter tilbage i værdikæden i jagten på afkast
- **Usikkerheder** centrerer omkring:
 - Markedsrisiko vs. Udviklingsrisiko
 - Knaphed på materialer/ressourcer
 - Materialepriser

Rekord stor
transaktionsvolumen
Rekord lave afkast

Segmenter og kapitalens vandring mod vest

- Covid-19 har forstærket fokus på **Bolig, logistik** og light-industrials – specielt med gode og “sikre” pengestrømme
- **Kapitalen vandrer mod vest**, hvor nye vækstbyer har været drivende sammen med **Storkøbenhavn**

Kapitalmarkeder og Covid-19

- God adgang til **attraktiv finansiering** – men **ikke** for alle aktiver!
- DK er kommet nogenlunde **helskindet** igennem Covid-19, fx begrænset tab på lejere
- Fortsat begrænset antal **nødlidende aktiver**

Vores forventninger til 2022+

Udenlandsk kapital vil fortsat dominere

Kvalitet i **cash flow** vil fortsat drive værdien

Afkastkravs-niveauer øger fokus på det **underliggende NOI**

Bolig og logistik bibeholder positionerne

Fortsat høj **transaktions-volumen**

Repurpose-agendaen vinder indpas i jagten på prime assets

Platforme og koncepter vil fylde mere

Operationelle aktiver vinder indpas i DK

ESG compliance bliver vigtigere ift lejernes compliance og **exit readiness**

Større andel af **alternative finansierings-former** til DK?

Omfang af **“stranded assets”** - hvis ikke ESG compliant?

I hvilket omfang bliver det muligt at **“vælte” ESG investeringer** over på lejerne?



Pause

Vi ses igen kl. 10:30

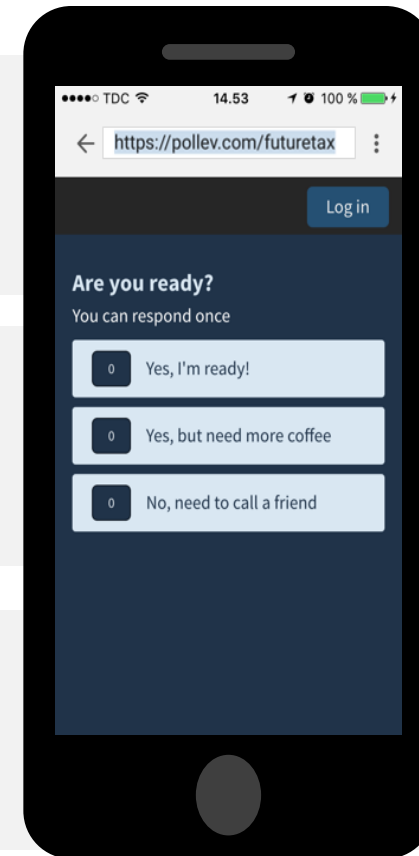


Lagerbeskatning af investerings ejendomme

Søren Thorvaldsen Svane Keller
Partner, PwC

Vil den kommende lagerbeskatning af investeringsejendomme påvirke investeringsomfanget af ejendomsinvesteringer i Danmark på 3-5 årig sigt?

- 1 Åben din internet browser (Safari, Chrome etc.) på din telefon eller tablet.
- 2 Skriv www.pollev.com/pwcevents113
- 3 Du er nu klar til at stemme



Kommende lagerbeskatning af investeringsejendomme

Processen:

- Udspil regeringen - 18/8/20
- Politisk aftale – 10/10/20
- Diverse svar fra ministeren – løbende
- Udkast høring?
- Lovforslag – efterår 22?

Timing og Indgangsværdier?

Ja – klar indikation af indgangsværdier baseret på handelsværdi 1. januar 2023

Hvilke ejendomme?

Ejendomme, der i overvejende grad anvendes i driften, fritaget

Porteføljer med værdi under DKK 100m fritaget

Værdiansættelse?

Samme principper som ved indregning i regnskab til handelsværdi

Ingen offentlig værdi, der kan lægges til grund

Afskrivninger?

Indikation af, at det ikke vil være muligt at foretage skattemæssige afskrivninger på lagerbeskattede ejendomme

Hvilke skattesubjekter?

Som udgangspunkt kun selskabsbeskattede danske og udenlandske enheder

Fradrag for tab?

Ja – klar indikation af symmetrisk beskatning

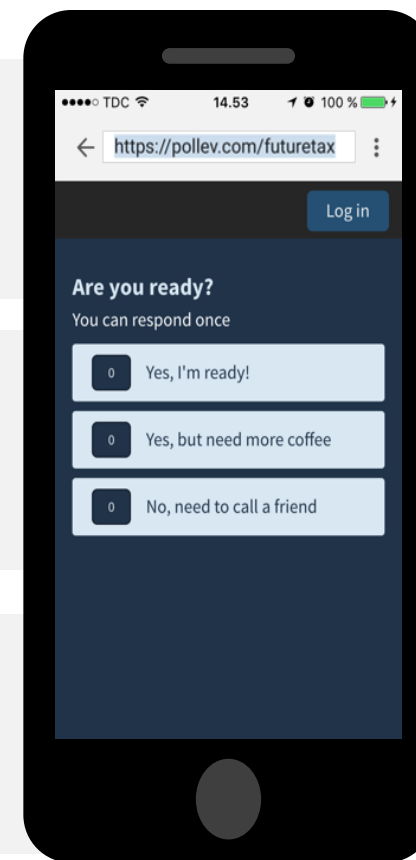
Dog forventning om visse undtagelser i forhold til Indgangsværdierne mv.

Åbne spørgsmål:

Kommer det til at påvirke priserne?
Fører det til skift fra share til asset deals?
Ser vi fald i investeringslysten fra udlandet?

Bliver ESG-profilen på en ejendom det vigtigste investeringsparameter (ved køb og salg) inden for de næste 10 år?

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Paneldebat

Hvilken betydning har ESG for ejendomsmarkedet?

Peter Hebin Bruun

Head of ESG , ATP Ejendomme A/S

Torben Modvig

Ejendomsudvikler og totalentreprenør, CASA A/S

Rasmus Nørgaard

Founder, Home.Earth & co-founder and board member, NREP

Susanne Stormer

Partner & Head of Sustainability, PwC



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Tak for i dag

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