

Publicación	Expansión General, 16
Soporte	Prensa Escrita
Circulación	30 508
Difusión	20 661
Audiencia	131 000
Fecha	18/03/2021
País	España
V. Comunicación	29 968 EUR (35.701 USD)
Tamaño	292,88 cm ² (47,0%)
V. Publicitario	8412 EUR (10 021 USD)

Las Socimis traspasan activos por mil millones

Colonial, Merlin y Lar España aprovechan el Covid para desinvertir en activos no estratégicos y venden oficinas, logística, centros comerciales y supermercados.

Rebeca Arroyo. Madrid

El Covid no ha impedido a las grandes Socimis cotizadas en el Mercado Continuo seguir con su plan de desinversión en activos no estratégico. Colonial, Merlin y Lar España traspasaron activos por casi mil millones de euros durante el pasado año y los primeros meses de 2021. Por contra, las grandes Socimis no han cerrado prácticamente ninguna compra tras el Covid.

La más activa en el proceso de desinversión ha sido Colonial, que durante 2020 cerró operaciones por 617 millones de euros con la venta de oficinas ubicadas en zonas secundarias, plataformas logísticas o centros comerciales.

Solo en los últimos tres meses del pasado año, la Socimi liderada por Pere Viñolas ingresó 413 millones de euros con la venta de dos inmuebles de oficinas en París por un importe conjunto de casi 265 millones, un local ocupado por Bauhaus en el centro comercial de les Gavarres, situado en Tarragona, y un inmueble en la Avenida de Bruselas en Madrid, alquilado a MásMóvil en 2019.

Además, en el último trimestre del año la firma procedió a la entrega de la última fase del portfolio logístico, vendido a Prologis, por 64 millones de euros. La venta de la cartera logística de Colonial a Prologis se acordó en 2019 pero se ha ejecutado en tres tramos: una primera venta de once instalaciones de un total de 314.000 metros cuadrados en agosto de 2019, un segundo paquete de activos, con una superficie de 100.200 metros cuadrados, en julio de 2020 y dos naves, con una superficie conjunta de 59.000 metros cuadrados, a finales de año.

En el capítulo de adquisiciones, Colonial lleva dos años con el freno de mano. El año pasado no cerró ninguna operación y en 2019 las operaciones realizadas sumaron 160 millones de euros.

De cara a este año, la Socimi no espera realizar grandes operaciones, ni de compra ni de venta. Sin embargo, Colonial siempre está atento a oportunidades en el segmen-



Rafa Marin

Pere Viñolas, consejero delegado de Colonial.

COLONIAL

Fue la más activa con la venta de activos por 617 millones, entre los que figuran parte de la cartera logística a Prologis.



Mauricio Skrycky

Ismael Clemente, consejero delegado de Merlin.

MERLIN

En 2020 vendió 3 activos comerciales y sucursales de BBVA por 198 millones. En febrero cerró ventas por otros 44 millones.



Elena Barrón

Miguel Pereda, CEO manager externo de Lar España.

LAR ESPAÑA

La Socimi traspasó el pasado mes de febrero 22 súpers de Eroski a Blackbrook por casi 60 millones.

Colonial y Lar no compraron activos y Merlin adquirió un activo en Barcelona por 15 millones

Árima, la otra Socimi del Continuo, compró un edificio de oficinas y un llave en mano en Madrid

to de oficinas prime.

Merlin, por su parte, cerró desinversiones el pasado año por casi 200 millones de euros con la venta de sucursales ocupadas por BBVA y tres centros comerciales.

En concreto, la Socimi traspasó a Mazabi a principios del pasado año los centros comerciales Fira, en Reus (Tarragona), Thader, en Murcia, así como una mediana comercial ubicada en el centro Nassica en Getafe, Madrid, valorados en 170 millones, a cambio de una participación

del 34% en su Socimi Silicius.

A principios de este año la Socimi vendió tres centros logísticos prime al fondo Clarion Partners Europe y otra sucursal más por 44 millones.

El consejero delegado de Merlin, Ismael Clemente, explicó durante la última presentación de resultados que la compañía llevará a cabo desinversiones por entre 150 y 200 millones en 2021 pero descarta, de momento, vender el resto de los locales alquilados a BBVA, que aportan 80 millones de rentas netas.

Inversiones de Merlin

Por contra, Merlin solo compró unas oficinas de 3.000 metros cuadrados en Plaça Catalunya por 15 millones. El resto de las inversiones del grupo se debieron a desarrollos en logística y en el centro comercial y de ocio X-Madrid, ubicado en el municipio madrileño de Alcorcón, por 37,5 millones a principios de 2020. Adicionalmente en julio del pasado año cerró la compra de un llave en mano en el último suelo disponible en Manoteras por 38,9 millones de euros.

Aunque durante 2020 no realizó ninguna operación de rotación de activos, Lar España traspasó el pasado mes de febrero al fondo británico Blackbrook una cartera de 22 supermercados ocupados por Eroski por 60 millones. De los establecimientos diez se encuentran en el País Vasco, siete en Baleares, dos en Navarra, otros dos en Cantabria y uno en La Rioja.

La compañía plantea además otras desinversiones puntuales como la de los centros de Txingudi, en Irun (Gipuzkoa), y Las Huertas, en Palencia.

Árima, la otra Socimi del Mercado Continuo, compró un edificio de oficinas de 14.000 metros cuadrados, ubicado junto al parque empresarial Cristalía en Madrid, por 37,5 millones a principios de 2020. Adicionalmente en julio del pasado año cerró la compra de un llave en mano en el último suelo disponible en Manoteras por 38,9 millones de euros.

Publicación	Cinco Días General, 25
Soporte	Prensa Escrita
Circulación	26 609
Difusión	18 595
Audiencia	38 000
Fecha	18/03/2021
País	España
V. Comunicación	29 535 EUR (35,185 USD)
Tamaño	504,86 cm ² (81,0%)
V. Publicitario	8530 EUR (10 162 USD)

La pandemia ha vuelto a poner de moda la palabra resiliencia, esa capacidad de adaptación frente a un agente perturbador o una situación adversa. Todos nos hemos visto obligados a ser resilientes en estos últimos meses, poniendo a prueba nuestra capacidad de respuesta y de superación. En España pocos sectores económicos se han visto tan afectados por esta crisis sanitaria como el comercio y sus diferentes actores. A la vez, si alguno ha demostrado su capacidad de adaptación, recuperación y, en definitiva, su resiliencia sin duda ha sido un segmento muy concreto del retail. El sector comercial ha sabido anticipar los cambios de usos y costumbres sociales y aprovechar las oportunidades que se han ido sucediendo en el consumo y en la manera de vivir durante el último medio siglo.

Sin afán de exhaustividad, en todos estos años los mejores centros y parques comerciales han sido capaces de popularizar las grandes superficies de alimentación, de extender nuevos formatos comerciales, de segmentar la restauración, de definir una oferta exclusiva de ocio familiar, de revolucionar el aprovechamiento del tiempo libre, de acoplarse a la innovación o de convertirse en aliados del comercio digital y su complemento idóneo para las grandes marcas de moda, alimentación o tiempo libre. Por si fuera poco, el denominado retail 4.0 ahora ha sabido reinventarse y reivindicarse durante la pandemia por sus espacios saludables y seguros, en los que las medidas de higiene y distanciamiento social han podido aplicarse de forma preventiva, planificada, metódica y eficiente.

En definitiva, los centros comerciales dominantes han vuelto a demostrar en el último año su más que contrastada capacidad de resiliencia. Este aspecto constituye una de las principales claves del éxito de un centro comercial, pero no es la única. Cuando dejemos atrás la crisis sanitaria, todo el sector del retail deberá dar respuesta a tres nuevos desafíos emergentes. Me refiero a la capacidad de atracción de operadores y clientes finales, a la experiencia del cliente como elemento clave de interacción con nuestros visitantes y a la innovación entendida como factor diferencial en la forma de entender la gestión. Ese será el momento donde pasaremos de la resiliencia a la capacidad de recuperación.

Durante la crisis sanitaria, el retail 4.0 ha exhibido su valor como actividad refugio. Cuando la inoculación de vacunas haya alcanzado a la mayoría de la población y poco a poco se recupere la normalidad, los centros deberán escisionar como referentes de la recuperación de la vida en sociedad, ya que reúnen las condiciones y representan los valores esenciales de lo que será el nuevo modelo de ocio y tiempo libre familiar que vendrá después de la pandemia. Todos los sectores sociales, y los distintos segmentos de edad que los representan, aspiran a recuperar la normalidad previa. En mayor o menor medida, todos aforraron una actividad social dinámica, activa y variada, a la vez que segura, predecible y controlada. Los centros comerciales suponen el escenario y el punto de encuentro perfectos de ese aspiracional colectivo. Serán los clientes finales



GETTY IMAGES

Análisis

Centros comerciales: resiliencia y algo más

Tras la crisis sanitaria, estos establecimientos deberán escisionar como referentes de recuperación de la vida en sociedad

Miguel Pereda Consejero de **Lar España** y presidente de **Grupo Lar**

quienes determinen si el centro comercial al que suelen acudir reúne esas condiciones o no. Para propietarios e inquilinos, enfocarse sobre los gustos y necesidades del público será a partir de entonces más necesario que nunca. La única forma de conseguirlo será mediante el alineamiento de sus respectivos intereses. Bien coordinados, se pueden simplificar las necesidades logísticas de los comerciantes, reducir las distancias entre el mundo físico y el digital o favorecer la atracción experiencial y la fidelización del cliente final mediante la visita a una tienda física emblemática, que además potencia la imagen de marca de los comerciantes y la experiencia personalizada en el cliente.


Es un hecho que los efectos del Covid-19 acelerarán la transformación tecnológica iniciada por muchos centros

La necesaria sincronía y coordinación entre propietarios e inquilinos acarreará otra importante derivada: la gestión profesional no será opcional. La relación entre inversor, retailer y cliente final deberá ser supervisada diaria a diaria por equipos de alta cualificación. No se trata solo de gestionar un negocio financiero; hace falta ponerte en el lugar del cliente y del comerciante, y aportar un altísimo grado de conocimiento del sector, del entorno, de las herramientas y de las nuevas necesidades que las sociedades del siglo XXI necesitan. Asegurar la personalización tampoco es ya una opción, sino un elemento imprescindible.

La adaptación continua al cliente final y el foco en su experiencia de compra serán también factores clave. Es un hecho que los efectos del Covid-19 acelerarán la transformación tecnológica iniciada por muchos centros comerciales como respuesta al reto de la omnicanalidad. De hecho, ya es una evidencia que los comercios on y off se necesitan mutuamente en sus estrategias a largo plazo y que son absolutamente complementarios. Los centros se van a consolidar como punto final de muchas transacciones, sean estas digitales o físicas.

Además de atraer y gestionar la experiencia, el tercer factor clave para el éxito de los centros será la innovación. La propia estructura, diseño interior y distribución de las superficies en los centros de última generación certifica su importancia. Deberá sustentarse en un exhaustivo trabajo previo

de análisis para el que la tecnología es un instrumento vital. Visitar la tienda representa en estos casos el punto culminante de un proceso de investigación y análisis que se ha gestado tiempo atrás. Y esta visita no puede decepcionar.

Las grandes tiendas online están abriendo espacios físicos emblemáticos como herramienta para consolidar su marca. Para todos los tipos de comerciantes, la omnicanalidad es su principal apuesta de futuro. El comercio digital les permite aplicar el conocimiento de los clientes y el diálogo constante con ellos, entender sus necesidades, prever sus preferencias y adaptarse en todo momento a su demanda de ocio y entretenimiento. Ahí es justo dónde el valor de los mejores centros resulta imbatible, por cuanto están en condiciones de interpretar esos datos para ofrecer experiencias diferenciales y segmentadas para cada uno de los perfiles de clientes.

En este proceso partirán con gran ventaja aquellas compañías que cuentan con sólidos fundamentos operativos y financieros, con balances saneados y bajo apalancamiento. Si además han invertido para adaptar sus activos a las últimas tendencias, creen en la omnicanalidad, la tecnología, la seguridad y la sostenibilidad, y buscan una experiencia diferencial para cada cliente, tengan entonces por seguro que esa compañía habrá encontrado el mejor pasaporte para dar con el éxito y podrá enfrentarse con garantías a los ciclos y circunstancias que el futuro le depare.

Publicación	Iberian Property General, 24	Fecha	16/03/2021
Soporte	Prensa Escrita	País	España
Circulación		V. Comunicación	ND
Difusión	ND	Tamaño	369,55 cm ² (59,3%)
Audiencia	ND	V.Publicitario	--- EUR (ND USD)

INVESTORS TREAD NEW GROUND IN 2021

With all of the changes brought by the pandemic, and despite the uncertainty that still pervades one year later, real estate investors entered 2021 in a climate of moderate optimism considering the challenges they face, and are above all committed to treading new ground.

The vaccine offers a glimpse of the beginning of the end of the pandemic, and 2021 promises to be a year of transition for the property sector, which experts agree will recover at different speeds. Monitoring the changes taking place not only in the sector, but in society at large, real estate investors are also breaking new ground, focusing on segments like build-to-rent and logistics as the most attractive in this new phase, while other alternative asset classes that until now were "niche" markets, start to gain prominence.

Despite the sharp decline last year, record low interest rates and bond yields, as well as the volatility of the securities market, encourage real estate investment, which is considered one of the few asset classes to offer attractive returns at a time when there is enormous liquidity in search of the most profitable options to allocate capital. Furthermore, given Iberia's privileged position to attract a growing number of foreigners who decide to invest and live here because of the climate, quality of life and competitive prices, the ideal conditions are in place to keep driving this market's performance.

Of course there are difficulties, and the challenges we face at this stage are far from slight. Starting with uncertainty surrounding the evolution and control of the pandemic in the short term, not to mention measures taken by both countries' governments in an effort to contain the health crisis and its effects on the economy and the sector, which threaten income security. In addition, after a severe decrease in economic activity, banks seem less willing to provide financing at this stage or, at least, have tightened their criteria, making new alternative sources of funding necessary and welcome!

The extent of the pandemic's impact on the value of assets is another issue that concerns investors, and there is an evident disparity between the price expectations of sellers and potential buyers. Finally, and confirming the old belief that some people's crises are other people's opportunities, the end of the year is expected to display greater momentum in the distressed assets market, with various opportunistic investors taking position to guarantee the best deals in sectors like tourism and retail which, despite suffering the greatest blows

from the pandemic, will continue to thrive in the medium and long term.

These and other views were provided by investors who accepted Iberian Property's invitation to share with our readers what they believe will be the major challenges and opportunities that will determine this sector's performance in 2021, and whose responses we present in full in the next pages.

KEY CHALLENGES:

- **Uncertainty regarding Covid-19 containment measures imposed by governments**
- **Tighter financing conditions**
- **Divergent price expectations between buyers and sellers**
- **Income security**

KEY OPPORTUNITIES:

- **Build-to-rent**
- **Logistics**
- **Alternatives: student housing, senior residences, data centres, self-storage**
- **Distressed assets**

Publicación	Iberian Property General, 25	Fecha	16/03/2021
Soporte	Prensa Escrita	País	España
Circulación		V. Comunicación	ND
Difusión	ND	Tamaño	393,30 cm ² (63,1%)
Audiencia	ND	V.Publicitario	--- EUR (ND USD)



Hernán San Pedro

LAR ESPAÑA SOCIMI
Director of Investor Relations and Corporate Communications

The main challenge will continue to be adapting to the health situation, its effects and the measures decided by public administrations. But in every crisis there is opportunity, and in the wake of this pandemic, each real estate sector will have to find its own. Healthier environments, more functional layouts and residential outdoor areas. Offices with more open and flexible spaces. Increasingly intelligent logistics buildings. Or shopping centres and retail parks that dominate their catchment area and offer an optimal combination of leisure, commercial activities and brands. Quality and differentiation were already decisive, and now will be even more so.

When the effects of the pandemic finally diminish, and provided recovery develops as predicted, shopping centres and retail parks will continue to be decisive to restore private consumption and the economy as a whole. Quality retail has established itself as a resilient real estate segment. The best centres generate differentiated experiences and increase brand loyalty, while providing unique and safe alternatives for final customers.

Residential rental will continue to boom. There is significant demand, but a lack of new and quality supply. This will also be a year of opportunities for well-located logistics assets in Madrid and Barcelona, as well as in other locations such as Valencia and the Basque Country. In retail, interest will focus on prime centres. Whereas in the past, real estate assets depended above all on location, from now on they will depend on their dominance and ability to attract end customers and retailers. In this sense, it is important to take into account the decisive importance of quality and in-depth knowledge of the customer, as well as building a solid relationship with retailers. In short, quality, in-depth knowledge and close relationships are key to attract end consumers and retailers. It will be important where you are, but above all how you are and how you manage it.

The key challenge lies in identifying the right real estate fundamentals that will remain strong in a post-Covid environment, as well as properly assessing the timing and depth of post-Covid impacts on investment plans.

The medium-term impact on our local economy has yet to be fully grasped, and we need to factor in many uncertainties, both in terms of locations and asset classes.

Those that succeed in this climate will have strong local teams, high levels of internal multi-sector expertise and significant flexibility when it comes to onboard complex situations or structures. At AXA IM Alts, our ESG policies will also help us overcome these challenges.

The market is proving to be resilient in the logistics and residential sectors. The life science and senior-related asset classes are also interesting.

Additionally, we have great confidence in Iberia's capacity to deliver strong medium-term recovery in the hospitality sector.

When it comes to locations, the highest resilience is found in the greater Madrid and Lisbon regions.



Esther Escapa

AXA IM ALTS
Head of Acquisitions and Development for Iberia and Italy

Publicación	Iberian Property General, 26	Fecha	16/03/2021
Soporte	Prensa Escrita	País	España
Circulación		V. Comunicación	ND
Difusión	ND	Tamaño	367,22 cm ² (58,9%)
Audiencia	ND	V.Publicitario	--- EUR (ND USD)



Marta Cladera de Codina

NUVEEN REAL ESTATE
Managing Director for Iberia

The Iberian market is facing several key challenges; some are specifically related to Covid, while others are not new. The market fundamentals are far better now than in the global financial crisis; the quality of professionals in Iberia is first rate, and Iberia has shown signs of resilience, therefore recovery should be faster than in the previous crisis.

One of the key challenges is legal stability concerning leases and rent controls. Legislative amendments and political ploys generate uncertainty in the market, which can make it difficult to value and put investment decisions on hold. A clear, transparent legal framework is required. Land prices for the development of build-to-rent products are also a challenge, because there is a scarce supply of quality land available and ready for development.

Logistics is the most sought-after asset, but there is great competition for finished product, which drives returns down. There are opportunities in the conversion and repurposing of assets, such as hotels, and transforming spaces into mixed-use buildings. Offering the market a high quality, residential rental product is also an opportunity, given the lack of modern stock and great demographic and societal changes. We should keep an eye on senior living accommodation because Spain has an ageing population and there is potential for this type of product.

The first thing will be to assess the impact of Covid on the evolution of rental prices and rents, and to determine the extent to which buyer and tenant preferences will change. The pandemic has accelerated the digital transformation of the sector and, in just one year, we have advanced at an unthinkable speed, which would normally have taken five years. But there is still the challenge of fully digitalizing the residential sector, both in traditional BTS and BTR.

To begin with, the shortage of development land makes this a real attraction for developers and investors. Furthermore, the public tenders underway in different administrations are a good opportunity and a reflection of interest in the residential market. Collaboration between the Government and the private sector is essential to provide affordable housing.

Another challenge we face is knowing how to adapt to the emerging BTR market. Grupo Lar is firmly committed to this segment and there is an increasing number of interested players, therefore, the professionalization of property management must be achieved. Another key trend we believe in is co-living, but this segment's future will depend on the regulations that are imposed, and the lack of legal support makes its evolution unpredictable.

As for the best opportunities to invest in 2021. Undoubtedly, there are 3 clear segments: BTR, logistics and healthcare, and we will also have to pay close attention to co-living and senior living. The end of the pandemic will generate a wave of optimism, and opportunities will return in both retail and offices.



Miguel Ángel Peña

GRUPO LAR
CEO

Publicación	Iberian Property General, 27	Fecha	16/03/2021
Soporte	Prensa Escrita	País	España
Circulación		V. Comunicación	ND
Difusión	ND	Tamaño	394,43 cm ² (63,3%)
Audiencia	ND	V.Publicitario	--- EUR (ND USD)



Javier Basagoiti
INBEST SOCIMI
Chairman

In the current scenario, investors consider real estate assets "safe-haven assets", especially if compared with the high volatility of equity markets, and non-return expectations for fixed income in the medium term due to the monetary policy adopted by the ECB.

Although it depends on the assets' class and typology, generally speaking, prime locations, top-tier tenants and security in lease agreements, are highly appreciated by investors.

Due to ongoing uncertainty, the main challenge for management teams is to match investor requirements and tenant needs, not only through the acquisition of new properties at competitive prices, but also by adding value through active, professional and innovative asset management, particularly in the following segments:

- High street retail, in order to satisfy increasing demand from top-tier retailers to create exclusive flagships in super prime locations, in order to accommodate growing online sales and implement Covid-free measures. There is a lack of large and well-equipped spaces in urban areas, but traditional players are reinventing themselves, and new brands are arriving, requiring new concepts and sizes in city centres.
- Platforms in urban hubs, to create innovative solutions that help retailers cover last mile demand and reverse logistic for online sales returns. In this sense, there are good opportunities to acquire obsolete or depreciated assets in good locations (office buildings, parking spaces, smaller retail units on secondary streets, etc.) and convert them into new logistics concepts.
- Retail parks, to accommodate the expansion plans of major retailers and, at the same time, create a strong tenant mix anchored by "essential activities", to stabilize footfall and consumption.

The main challenges for real estate investors will depend on the evolution of Covid-19, the measures imposed by the administrations on activities and travel restrictions, as well as the impact of the pandemic on the different economic sectors. In the short term, persistent and widespread uncertainty has caused levels of real estate investment to fall during the past year. Although the current scenario of low interest rates, minimum bond yields, high volatility of the securities market and great liquidity in the property market, are conditions that will drive real estate investment in 2021.

Silicius has a long-term vocation and a timeless investment strategy, therefore we see investment opportunities in different locations in properties that are not currently for sale or subjected to price adjustments. We believe the important thing is to identify opportunities and investments in long-term projects, and this is a good time to position ourselves and build a portfolio of prime assets in a diversified way, both in terms of locations and uses.

Covid-19 has shown us that real estate assets located in strategic areas are more resilient to the pandemic. Looking ahead to 2021, the build-to-rent model stands out as a safer and less volatile investment alternative. At the same time, teleworking has opened up a range of opportunities in the metropolitan areas of major cities, as well as in provinces that are well connected to the large population centres. Furthermore, Spain occupies a privileged position as a second home destination, due to its climate, quality of life and competitive prices.



Juan Diaz de Bustamante
SILICIUS
Managing Director

Publicación	Iberian Property General, 28	Fecha	16/03/2021
Soporte	Prensa Escrita	País	España
Circulación		V. Comunicación	ND
Difusión	ND	Tamaño	389,57 cm ² (62,5%)
Audiencia	ND	V.Publicitario	--- EUR (ND USD)



Gilles Emond

GRUPO AGEAS

PORTUGAL

Head of Real Estate

Real estate will remain an attractive asset class for investors. The short-term challenge is to deploy capital rapidly in a qualitative way. The next question is what is quality? I think two phenomena will modify our business:

Public investment and European funds - Politicians are currently facing one of the major challenges of the decade; how to make efficient use of the money made available by the EU: not only to restart the economy, but above all to change our society. This is especially the case in Portugal. The country will benefit from large sums and has obvious needs in the sector, like public transportation. Real estate investors could be associated with some initiatives. They must also include in their analysis the impact of public projects like a high-speed train. Transparency and effectiveness in policies will be key.

Covid-19 has transformed our society - Some consequences seem obvious, like teleworking or e-commerce, and have already been discussed (logistics attractiveness, shopping centre challenges, questions about some office models...). But the crisis has been long, and I expect to see more changes as people look at their future differently: consumption model, risk appetite, mobility, health concerns...

With this in mind, and looking at the Portuguese market, for an institutional investor like Grupo Ageas Portugal, we continue to see the best opportunities in future-proofed offices in strategic locations, and operational assets like nursing homes or student residences. The residential segment could be interesting, but it still needs to stabilize. Smart developers are likely to acquire land, but this is not the risk profile of Grupo Ageas Portugal.

The local economic scenario is the main challenge for real estate investors, as it has a direct impact on the potential performance of tenants in different sectors and asset classes. The importance of quality agreements is crucial, and the polarization of the real estate market between prime and secondary assets is now higher than ever. The impact of the crisis on Spain's GDP was higher than the Eurozone average, driven by severe local mobility restrictions and the decline of the tourist sector, which in the pre-Covid period represented 12.4% of Spanish GDP and accounted for 12.9% of local employment. Spain lost 6.5 million tourists in 2020. An effective roll-out of the vaccines is key for the country to fight unemployment, a high level of public debt and the current deficit. Spain will be the second largest beneficiary of the Recovery and Resilience Facility (Next Generation EU) with 140 billion euros until 2026, which accounts for 11% of Spain's GDP. An efficient use of these resources will help boost the economy and, consequently, the real estate market. Portugal followed a similar trend, although the country's main KPIs were better than Spain's. Investors will also monitor a more constrained debt scenario due to Covid-19 uncertainty, as well as new regulation in the residential market and an

expansive fiscal policy. These are important elements that will have a direct impact on the investment activity.

Despite the current uncertain environment, the Iberian real estate market has reacted relatively well to the pandemic, presenting a positive picture for 2021. Liquidity levels in the market are high and yields remain attractive, especially if compared to other traditional asset classes for investors, like fixed income markets. We believe the region will continue to consolidate as a key investment destination for capital markets in Europe. The Iberian market remains attractive for core and core+ investors, with good opportunities in commercial real estate that presents a well-balanced risk return for different types of assets. The Iberian PRS market is less mature than other European counterparts like Germany, but opportunities are growing as the market shifts towards institutional buyers looking to fund good quality, modern and energy efficient BTR projects in popular submarkets like Madrid, Barcelona and Lisbon. Spain's logistics sector will remain highly attractive, leveraged by e-commerce activity as the country's rate of online retail penetration has been historically low in absolute terms.



Federico Bros

M&G REAL ESTATE

Head of Investment

and Asset

Management for

Iberia

Publicación	Iberian Property General, 30	Fecha	16/03/2021
Soprote	Prensa Escrita	País	España
Circulación		V. Comunicación	ND
Difusión	ND	Tamaño	381,96 cm ² (61,3%)
Audiencia	ND	V.Publicitario	--- EUR (ND USD)



Javier Hortelano
CATELLA ASSET MANAGEMENT IBERIA
Managing Director & Partner

In-depth knowledge of the local markets in a scenario of accelerated and increasingly complex change, is the key that allows us to operate successfully in the Iberian Peninsula, taking advantage of investment opportunities, increasing the value of real estate assets, while managing and defending the value of properties most damaged by the effects of the Covid-19 crisis.

Currently, the investment community is targeting the residential sector, particularly the build-to-rent segment, logistics assets and nursing homes ("senior housing"), due to the strength of their fundamentals, as the safest and most attractive assets. Logistics is generating exponential growth, driven mostly by the boom in e-commerce. Residential rental responds to the needs of an increasingly dynamic society whose consumption pattern has changed, and for the elderly, representing a new adapted offer of apartments such as traditional residences, meeting growing demand from consumers who do not need care and those who later become dependent.

On the other hand, offices are in the process of being revised since, although indicators suggest they will maintain a highly prominent role in real estate investment, this matter lacks consensus.

The current crisis is affecting two asset classes in particular, retail and hotels. In the case of retail, the challenging economic situation is combined with a structural change that will affect them deeply. For their part, hotels are suffering a huge impact that will be more short term, making it difficult to anticipate how long the crisis will last and the extent of the effects on the sector.

First and foremost, like virtually any other sector, the property market has been extremely disrupted by the pandemic.

Fortunately, real estate is perceived as one of the few asset classes that still generates attractive returns at a time of low or negative interest rates.

However, we understand the main challenge in the industry is income security, which is leading to unusually high and uncertain returns, and Iberian markets are not an exception in this global trend. Accordingly, not only the markets, but also the various asset classes, are adjusting to the new conditions at different speeds (and sometimes directions), but there is still an evident disparity between seller and buyer expectations.

In Iberia, financing conditions remain tight and investors are already seeking alternative funding.

To answer the last question, as a niche investor focused on convenience retail real estate, we remain confident in our strategy and continue to actively pursue investment opportunities in the segment. In particular, retail parks have been the best performing and most resilient retail format, before and during the Covid-19 pandemic. Retail parks remain strong in the face of new shopping habits, with parking and open-air common spaces, separate entrances to shops, and operators in certain sectors enjoying vigorous demand, such as DIY and household and sporting goods. In addition, the convenient locations, ample free parking and wide range of retailers offered by retail parks, makes them the best answer to e-commerce and well-positioned for click and collect or returns. As a result, we continue to foresee a strong return potential for investors in this asset class.



Alfonso Cuesta
MITISKA REIM
Head of Spain and Portugal

Publicación	Iberian Property General, 31	Fecha	16/03/2021
Soporte	Prensa Escrita	País	España
Circulación		V. Comunicación	ND
Difusión	ND	Tamaño	392,21 cm ² (62,9%)
Audiencia	ND	V.Publicitario	--- EUR (ND USD)



Alejandro Adán
ARCANO PARTNERS
Head of Real Estate

There is one basic challenge, and it does not just apply to the Iberian market. Uncertainty. The question is not only how long Covid will last, but how it will change the rules of the game. The impact is global, spanning geographies and asset classes. Real estate acquisitions and asset management strategies rely on tenants' needs and performance. For the last 30 years, anticipating these was relatively straightforward, but those days seem to be over.

Offices: Is working from home replacing the traditional workspace? Is Zoom replacing physical conference rooms?

Retail: Are computers our new stores?

Travel and hotels: Are business trips and overnight stays long gone?

Residential: Are greener suburbs the new downtown?

Logistic: Is this the new prime asset class?

To be fair, other factors like e-commerce, environmental sustainability and globalization were already impacting how we live and work, but there has never been such a drastic change in such a short period.

In line with the previous question, I believe that the best opportunities will come from the capacity of investors and managers to adapt to this new reality. You either have a crystal ball to predict the future, or you evoke your adaptation skills. Unlike the previous crisis, there is no current shortage of capital or available assets. The key is to implement the right transformations to deliver performing assets. Therefore, I conclude that the current scenario benefits value-add and hands-on investors rather than core/passive and income collectors.

In my opinion, the main challenges that the Spanish real estate market will face in upcoming years are two-fold: external and internal.

Those coming from outside are clear. The pandemic and its socioeconomic consequences, as well as the impact on health, are sure to affect almost all productive sectors of the international economy, and real estate will be no exception. On the investor side, the uncertainty associated with this business does not help drive new projects and investments, and on the buyer side, labour and economic difficulties will undoubtedly affect consumers' home purchase plans and residential development.

From an internal point of view, I think the main challenge is regulatory. We are witnessing a tendency to over-regulate which, far from protecting everyone's interests and driving the sector's growth, is adding legal insecurity and excessive bureaucracy, elements that obstruct the entry of new investors and limit the potential of new projects that could represent more and better options for consumers.

In this scenario, there are clear opportunities to develop business models such as housing projects for rent (build-to-rent), or interesting areas for development in cities such as Madrid, Barcelona, Málaga, Seville or Valencia, all places where AQ Acentor is already operating and has ongoing projects.



Sven Schoel
AQ ACENTOR
(Aquila Capital's developer in Spain)
CEO

Publicación	Iberian Property General, 32	Fecha	16/03/2021
Soporte	Prensa Escrita	País	España
Circulación		V. Comunicación	ND
Difusión	ND	Tamaño	409,83 cm ² (65,7%)
Audiencia	ND	V.Publicitario	--- EUR (ND USD)



**João Tenreiro
Gonçalves**
**BEDROCK CAPITAL
PARTNERS**
Executive Partner

As we enter 2021, real estate investors will face significant challenges. The first and foremost concerns the pandemic, as Portugal has suffered a severe third wave of Covid-19, which will slow down recovery. Second, the increasing restrictiveness of local banks to fund real estate may impact pricing and is already forcing some developers to delay their projects, particularly in the office, residential and hospitality segments, or to turn to alternative financing. Third, the delay in licensing processes, which was already a significant issue, particularly in Lisbon, has been aggravated by the pandemic.

We see the disruptive impact of the coronavirus as the major investment topic for 2021, either due to its direct economic effect or to the trends it has accelerated.

First, we expect several opportunities in the Portuguese hospitality segment, one of those most affected by the

pandemic, as local players seek to raise cash. Fundamentals remain very positive, with strong recovery expected to begin in the second half of 2021, particularly in leisure hotels.

Second, we highlight the industrial/logistics segment. This sector was virtually dormant in Portugal over the last years, but it is the big winner of the pandemic, with e-commerce displaying exponential growth and driving demand for logistics spaces in major urban areas.

Finally, and as a more structural trend, we see an opportunity in the affordable residential market segment, given the lack of new product targeting this segment since the previous crisis, particularly build-to-sell strategies in Greater Lisbon and Greater Porto. Despite strong interest from international investors, we remain sceptical about the economics of build-to-rent greenfield projects in Portugal.

Looking back at the beginning of 2020, with news coming from afar about a new virus, I'm struck by how distant and foreign it all seemed. I don't think anyone could have imagined what was to come in 2020, and I guarantee no one is going to venture a guess about what 2021 has in store; perhaps we will have to take it day by day and remain optimistic.

And that is precisely the issue. Uncertainty is capital's worst enemy and, in the current global economic scenario, investors are being overly cautious when deciding their next move. Is it time to be a bargain hunter? Or quite the opposite, is this the time to stay still and wait for the waters to calm?

However, despite the current predicament, Iberia remains, and will remain, interesting for investors. Both Spain and Portugal continue to offer interesting opportunities in all segments, although we believe food distribution will continue to appeal to investor appetite in the short term, attracted by the resilience this sector has demonstrated during the most difficult of times of the Covid crisis. Supermarkets and hypermarkets are being targeted by all investors, and we are sure this will continue throughout 2021.

Nevertheless, don't count retail out yet. This sector is constantly reinventing itself, and this crisis will prove once again that retail is a survivor. As it has done in the past, the sector will keep evolving, hand in hand with technology and assim-

ilating the conceptual changes required to give consumers what they want, and provide new options to get it. While the Covid crisis is temporary, some of its effects, and particularly some newly acquired social habits, may be here to stay. Retailers and landlords will have to enter this new era united. The digital industry and online universe have advanced in six months what experts had predicted would take six years. This will surely continue to have an impact on the way we shop and our relationship with the retail world, which will also send shockwaves to the investment sphere.

As for what comes next for Iberia, the global pandemic, plus the unknown effect of Brexit, have shown that countries like Spain and Portugal, which depend heavily on tourism, are facing new challenges regarding how to maintain the fine balance between a powerful tourism industry that represents a significant part of the country's GDP, while at the same time shifting towards a more sustainable and reliable economic model. As with all changes, some opportunities disappear while new ones become obvious, and investors will be right there, waiting, to once more make the best of what Iberian real estate has to offer.

MDSR Investments will maintain a strong focus on the Iberian market in 2021, as we continue to scan the real estate markets for opportunities.



**Annalaura
Benedetti**
**MDSR
INVESTMENTS**
Country Manager –
Iberia

Publicación	Iberian Property General, 34	Fecha	16/03/2021
Soporte	Prensa Escrita	País	España
Circulación		V. Comunicación	ND
Difusión	ND	Tamaño	372,34 cm ² (59,7%)
Audiencia	ND	V.Publicitario	--- EUR (ND USD)

The main challenge today for real estate investors, in the Iberian market and elsewhere, is the uncertainty created by Covid-19 and its impact on the economy in the future. This is evident in the significant decline in investment activity across the globe in 2020 (ca. 40%), regardless of the fact that there is more money sitting on the sidelines waiting to be invested in real estate than ever before.

Almost one year since the Covid-19 outbreak in Spain, it is clear that the impact varies widely between sectors. On the positive side, logistics continues to perform strongly and emerging sectors such as data centres are benefiting from strong secular trends. These sectors are easier to underwrite even in the current circumstances, because the consensus is that demand will continue to be strong during the next few years of economic downturn. On the contrary, the clear losers in the Covid-19 crisis are hotels, discretionary retail and, to a lesser degree, offices, where the main challenge is to underwrite and price assets in a way that makes investors feel sufficiently comfortable, particularly taking into consideration the pre-pandemic price levels. This situation clearly exacerbates the bid-ask spread that

generally separates buyers and sellers in the first stages of any economic downturn, especially in economies like ours that are slow to react.

On one hand, we believe that in 2021 investors will focus on opportunities driven by megatrends and, on the other, on incipient distressed situations. Sectors that will continue to attract strong investor appetite are logistics, particularly the last segment of the supply chain, and residential rental, where Spain still has a long way to go to converge with our European peers. Alternative sectors such as student housing, healthcare (senior housing and hospitals), data centres and self-storage, will also continue to draw interest. Finally, opportunistic investors will be on the hunt for distressed opportunities, which may increase during the second half of the year as the real economic situation starts to unfold after a period of "life support" from the ECB and government measures.

To conclude, financing remains available but is slightly more expensive than a year ago which, along with the large amounts of dry powder, should restore the investment market to more normal levels.



Fernando Olaso

**ALTAMAR REAL
ESTATE**

Founding Partner



**Borja de la
Quintana**

AIGA ADVISORY
Manager for the
Real Estate area

Like in other turbulent times, the pandemic brings interesting opportunities and, thanks to high liquidity, many investors (private and institutional) are taking advantage of this. The main challenges for our investors are two-fold. On one hand, the high price expectations that sellers present when they are in a delicate financial situation. This takes a long time to negotiate until an understanding is reached between the parties. The other great challenge is an unwillingness to provide financing among financial institutions. In the current scenario, financial institutions have taken a very conservative, even hermetic, position, which implies that a great amount of deals must be closed

with the investor's equity or by providing guarantees that carry a heavy financial burden for investors.

At Aiga Advisory, we see opportunities in all segments without necessarily looking for highly opportunistic acquisitions, because we have the chance to position ourselves in "*liquid*" assets that would not normally be for sale. In short, opportunities arise that, under normal circumstances, would not come to market. For this reason, one must be extremely well informed about the market. Residential, Logistics, Hotels, Offices or Retail, are sectors that we believe will offer good investment opportunities in 2021.