

London Business School & MIPIIM 2022

Driving Urban Change

London at MIPIIM Report

WELCOME
TO

LONDON

LBS & MIPIM



Educational Partner

The London Business School Career Centre is proud to be MIPIM's educational partner.

MIPIM invited a select group of LBS students, across all programmes, to participate in what is the world's leading real estate event, which took place in Cannes on 15-18 March 2022.

MIPIM gathers the most influential players from all sectors of the international property industry for four days of networking, learning and doing business, including a full programme of events and conferences. This year, 20,000 professionals attended MIPIM from over 80 countries.



DRIVING URBAN CHANGE

Transforming the spaces in which we live, work and play to enable a more sustainable and prosperous future for all.

The COVID-19 pandemic has forced us to rethink the way we live. It is transforming our industries and how we do business. It is intensifying social and environmental crises in our communities. And it is challenging fundamental assumptions and global trends, such as urbanization, to build the smartest city for tomorrow.

As the world prepares to build back stronger and better, the whole real estate industry has to drive the change all together and work on essential values: livability, sustainability, resilience and affordability.

These are strictly necessary to drive a transition of the real estate ecosystem and the built environment. Thanks to technological innovation and progress, we have new tools available to support this effort and to reimagine and transform physical spaces—our homes, offices, factories, farms, healthcare facilities and public spaces—to be more adaptive, customized and even anticipate new needs before they arise. New models for public-private cooperation and shared community services are also changing the way in which cities provide services to residents and business, blurring the lines between government and the private sector with more and more initiatives arriving from all sides, to move forward in the right way.

For this 2022 Mipim edition, the conferences programme will rely on 6 different highlights:

- Cities for Citizens – The big debate
- Housing First – Back to essentiality
- Green is the new black – The new deal
- The office uprising: Innovating to bounce back
- Real Estate: much more than an asset – A jump in a financial market
- Real Estate Tech – Future is now!

Student Participation

Students are invited to apply to attend MIPIM towards the beginning of the academic year. Those selected have demonstrated a strong understanding of the real estate sector either through professional experience or education. The students are also there representing London Business School and so those successful in their applications are trusted to maintain the respected reputation of the School.

“Attending MIPIM was one of the highlights of my LBS journey. The opportunity to meet with and learn from the world’s real estate leaders gave me invaluable insights into the latest trends and issues in the industry.

I look forward to applying the knowledge gained immediately into my day job, and to strengthening the relationships that I have built in the months to come. A big thank you to the London Business School Career Centre and to MIPIM for giving me the exposure and chance to be part of a leading global real estate network!”

Carrie Cheung, Masters in Finance 2022

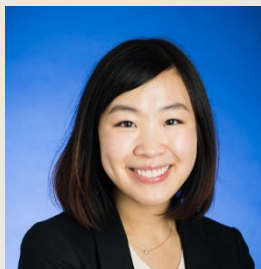
LONDON

#LONDONISOPEN

“Attending MIPIM was an exciting and educational experience that I will remember and benefit from in my future career. The opportunity to listen to real estate industry leaders in these interesting times has provided me with valuable insights and even greater excitement to enter the industry after my Masters. I feel very privileged and thankful to have been given this opportunity by the London Business School Career Centre and by MIPIM.”

Susse Schaumann, Masters in Management 2022

Attendees



Carrie Cheung

MiF 2022

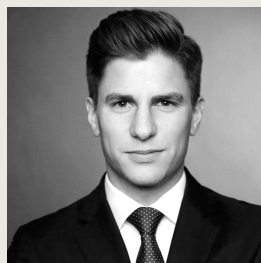
Carrie is a part-time MiF student at LBS. She is an Associate Director in the Deal Advisory team at KPMG UK, advising on buy and sell-side real estate transactions across Europe. Carrie is passionate about supporting diversity in real estate and serves as the Senior Vice President of Fundraising at the LBS Women in Business Club. Carrie is a Chartered Professional Accountant and a graduate from McGill University in Montreal, Canada, with a Bachelor of Commerce.



Cristian Suarez Alvarado

MiF 2022

Cristian is a part-time MiF student at LBS. Alongside his studies, he works as a Director at Castlake. Prior to Castlake, Cristian developed a significant part of his career at ActivumSG and Arcano Partners. Early in his professional life, Cristian studied for a Masters in Real Estate & Town Planning at the CEU San Pablo University in Madrid. He graduated from the University of Las Palmas de Gran Canaria with a BSc in Economics (Bachelor's Degree Extraordinary Award), which included studying for a year at the University of Hertfordshire in the UK. .



Jorden Korte

MiF 2022

Jorden is a real estate private equity professional with broad expertise in developing pan-European investment solutions. He is responsible for expanding the global product portfolio of PATRIZIA AG, the global real assets investment manager. At LBS, he is a part-time Masters in Finance student and a member of the LBS Real Estate Club's Executive Committee.

Passionate about shaping his industry, Jorden is an active member of ULI and INREV, where he is co-chair of the INREV Young Professionals Committee as well as a member of the Fund Manager Advisory Council. Jorden graduated from the University of Hamburg with a Bachelor in Socioeconomics and is a CAIA Charterholder.



Kasia Cios

MBA 2022

Kasia is a full-time MBA student at LBS. Prior to joining the programme, Kasia worked as a Manager in the Deal Advisory team in Deloitte's New York office, advising on buy and sell-side transactions across North America and Europe and covering multiple industries. She is an active member of the Real Estate and PE&VC Clubs at LBS and a participant in the Urban Land Institute's 2021-22 Mentorship Programme. Kasia graduated from DePaul University in Chicago with a Bachelor's in Commerce and is a Certified Public Accountant.

Attendees



Karina Sukhanenya

MBA 2022

Karina is a real estate investment professional with broad expertise in acquiring and managing assets across Asia. Prior to her MBA, Karina spent four years at real estate private equity firm Pacific Star Group in Singapore as an Assistant Vice President of investment and development, and three years at a real estate developer building new projects across emerging countries in Southeast Asia. Karina graduated from Chulalongkorn University with a Bachelor's in Economics and has her CFA Level II.



Patrice Noujaim

MBA 2023

Patrice is the Vice President – Finance of the LBS Real Estate Club. Prior to starting his MBA at LBS, Patrice worked as an Investment Associate at SFO Capital Partners, where he spent three years acquiring and managing assets across Europe (UK, France, Germany and Ireland). Before that, Patrice worked in the Assurance Services line at EY, mainly working with clients in the real estate and telecoms sectors. He is a graduate from the Saint-Joseph University of Beirut with a Bachelor's in Economics.



Susse Schaumann

MiM 2022

Susse is a full-time student at LBS on the Masters in Management programme and is a Vice President of the LBS Real Estate Club. Before joining LBS, Susse worked as a Junior Consultant at the Danish pension fund PFA Pension, where as part of the real estate team she optimised the customer experience on PFA's residential platform. Susse graduated from Copenhagen Business School with a Bachelor's in European Business in 2020. Next year, Susse will join NREP's London Office as an Investment Analyst.

Vinay works in the London Business School Career Centre and looks after the real estate sector.

Through the incredible LBS community in real estate, Vinay is responsible for managing the partnership with MIPIM to ensure LBS involvement with numerous invite-only and open-access MIPIM events.

Vinay works with MIPIM to cement the LBS partnership.



Vinay Mistry
MIPIM Lead
Career Centre



Reports

As part of the partnership between LBS and MIPIM, students are invited to roundtable and panel discussions where they meet leading figures in real estate. During the sessions, discussions take place about key trends and areas of note in real estate.

Here we feature the students' reports from the London at MIPIM programme of events, held on 15-17 March at MIPIM 2022 in Cannes.



“Attending MIPIM was such a rewarding experience. I gained valuable insights within the real estate industry and connected with global real estate leaders. The opportunity to take part in the London at MIPIM panel discussions was one of the highlights for me during the event.

Thank you London Business School Career Centre and MIPIM for offering this unique opportunity that I strongly believe would benefit my real estate career going forward.”

Karina Sukhanenya, MBA 2022

London at MIPIM

Introduction

Investment in people, place, technology, life sciences, and business is critical if cities are to reduce their contribution to climate change, recover from the fallout of the COVID-19 pandemic and ultimately to build a future that is socially, environmentally, and economically sustainable.

London is at the forefront of this agenda, harnessing record-breaking investment in technology to tackle critical urban problems and to drive action through innovation, leading the world's decarbonisation agenda.

The UK capital is the world's most advanced ecosystem for climate technology. It is home to 416 climate tech companies – the biggest cluster in Europe. The city's commitment to zero carbon by 2030 will inform all investment, development and design, and requires action from the Mayor of London, businesses, communities, boroughs and the national government.



London at MIPIM 2022 brought together those investing in this future, both nationally and internationally, to explore London's resilience and to look at how climate ambitions are driving positive change and delivering economic benefit for all those who live, work and play in the city.

The past two years have highlighted what is important in cities and communities, from housing and public space, to transport, digital access and demand for logistics, as well as the ebb and flow in demand for retail and offices. London's dynamism and adaptability have been and will be essential to a prosperous future.

Collaboration and action underpinned the London at MIPIM 2022 programme. London Business School were invited to report on six of the panel discussions.



London at MIPIM

Session Topics

Leading the Decarbonisation Agenda – Reported by Carrie Cheung



Investing in the Future of Living for Londoners – Reported by Patrice Noujaim



UK Cities – Reported by Jorden Korte



Creating Space for Europe's Hub of Technology and Innovation – Reported by Cristian Suarez Alvarado



London Boroughs and their Opportunities – Reported by Kasia Cios



The Need for Offices – Reported by Susse Schaumann



London at MIPIM

Session Topic

Leading the Decarbonisation Agenda

Speakers on the panel, moderated by **Simon Allford**, President of RIBA, included: **Edith Blennerhassett**, Director, Sustainable Building Services Design, ARUP; **Abigail Dean**, Global Head of Strategic Insights, Nuveen; and **Philip Graham**, Executive Director, Good Growth, Greater London Authority.

The panellists began the session with a broad consensus that there is real demand for green buildings from both occupiers and investors, and that the goal of net zero carbon would ultimately drive the value of buildings in London. Compared with other cities, especially with those in the UK, London benefits from having clear policies and planning regulations in place that are aligned with its target of achieving net zero carbon by 2030.

Given London's role in leading the decarbonisation agenda, importance should be placed on sharing best practice and knowledge across the rest of the UK. Various forums, including the C40 Cities Climate Leadership Group (for cities around the globe), are currently being used to disseminate knowledge and to drive progress.

Around the world, Covid-19 has led to a step change in the ESG agenda. In particular among the investor community, the panel had seen a significant increase in the level of engagement over the past two years: for example, it is no longer possible to raise European capital unless there is a clear decarbonisation plan in place.

The pandemic has played an important part in bringing about this change as it has:

- Made the scale of the challenge apparent, thereby putting the ESG agenda at the forefront.
- Caused people to rethink their priorities, both as individuals and as corporations.
- Highlighted the importance of global collaboration and the use of scientific breakthroughs to address some of the world's key challenges.

The panel acknowledged that construction was responsible for much of the world's carbon emissions. **Therefore consideration needed to be given to strategies that helped retrofit existing buildings, and to use as much as possible of the existing structure, in order to bring greater carbon savings.**



London at MIPIM

The strategy to retrofit existing buildings comes with challenges. Some key considerations are:

- How the use of a building changes through its lifetime. It is therefore **important that government planning regulations consider post-occupancy use**. The Greater London area, for example, has put in place planning conditions that include a monitoring programme to track post-occupancy changes in the use of assets.
- The use of existing building structures in redevelopment is a challenge, but it makes the buildings 'fit for future' and **helps drive long-term value**. It was added that new developments play a role in helping us understand what can be achieved with a highly energy efficient building.
- There is currently **a skills' gap, especially outside London**, with not enough expertise to help repurpose old stock. The panellists were hopeful that London could help bring in the skills required to other cities in the UK.
- **Clearer definitions of 'net zero carbon'** are required in order to deliver the same outcome across the industry, worldwide.
- **Data sharing** is a challenge as occupiers may not wish to share information.

The panellists concluded the session with the idea that the **private and public sectors needed to work together to support the green economy**. They pointed out that public funding was currently not sufficient to unlock the private financing required to fully transition to new forms of energy.

In particular, at least until now, the private sector has focused more on the decarbonisation of commercial real estate, where they see the highest returns, rather than residential, which still faces many challenges given residential's dispersed ownership structure. **Residential will be a future focus for decarbonisation**.

Carrie Cheung
MiF 2022



London at MIPIM

Session Topic

Investing in the Future of Living for Londoners

Speakers on this panel, moderated by **Sophie Chick**, Vice President, Research & Advisory Services, Urban Land Institute, included: **Councillor Darren Rodwell**, Leader, Barking and Dagenham Council; **Matt Lally**, Associate Director, Integrated City Planning, ARUP; **Rachel Miller**, Investment Director, Housing Growth Partnership; and **Rob Perrins**, Chief Executive, Berkeley Group.

The panellists kicked off the discussion by assessing the current state of the residential market in London. Today, **75% of Londoners believe that the housing market does not work for them** (e.g. lack of social housing) and that it is not adapted to their ability to pay, and over two-thirds think that the market will be worse for them in the future.

The **private rented sector** was seeing a significant uptick in capital investment, the panellists said, given that this asset class provided long-term, sustainable income and resilience against inflation, but that the stock of stabilised products was still very low given current (and future) demand.

Investors going into the London market will need to take **development risk if they are to add new products to the market**. This risk is becoming more difficult to address, given factors such as Brexit, Covid and the persistent supply-chain issues. However, the value of residential real estate in London keeps on increasing and shows no signs of weakness, especially for newly built product.

Public-private partnerships will be fundamental in solving the housing supply problem. To bridge the 45,000 units needed imminently, the panellists said that this would require the development of 150 sites with an investment of around £20bn.

Cities should be seen as ecosystems, which capture a lot of value. London should not be “compartmentalised”, with areas of the city serving only those with a certain household income. For example, more care homes should be built in the city centre. Such a mental shift would make London a more dynamic place to live, and one that catered for everyone’s needs.

The panel said that more investment was needed to support the overall city ecosystem, such as in infrastructure and landscaping. They also emphasised the importance of having a diverse set of actors in the marketplace, including designers, entrepreneurs, local businesses, etc. and that housing associations should play a key role in new residential developments in existing areas.



London at MIPIM

Another point raised by the panellists was that central government should incentivise the development of new schemes by investing more in national infrastructure and affordable housing.

With regard to the transport system in London (run by Transport for London, whose board members are appointed by the Mayor of London), new infrastructure, such as the planned extensions to the Bakerloo and DLR lines, are expected to unlock tens of thousands of new homes in London over the next 5-7 years. **More infrastructure projects such as these will help the city close the gap between supply and demand of housing**, the panel concluded.



Patrice Noujaim
MBA 2023



London at MIPIM

Session Topic

UK Cities

Speakers on this panel, moderated by **Leanne Tritton**, Managing Director, ING Media, included: **Deborah Cadman**, Chief Executive, Birmingham City Council; **Jules Pipe**, Deputy Mayor of London for Planning, Regeneration and Skills, Greater London Authority; **Steve Rotheram**, Metro Mayor, Liverpool City Region; and **Pam Smith**, CEO, Newcastle City Council.

Despite being drivers of growth and innovation, **cities are facing multiple challenges, especially in the areas of infrastructure, affordability and sustainability**. Cities needed to drive and create long-term, community-focused investments following ESG guidelines, the panel highlighted.

They also stressed the importance of **cooperation between cities on a political and practical level**, as the road to net zero carbon had implications that needed to be solved on a regional level.

Moreover, the discussion must not focus only on what needs to be done, but on what can be let go of in order to create capacity and to focus on the initiatives that create the most impact.

The **renewal of UK infrastructure** was highlighted as an overarching project requiring city collaboration, in order to create a high level of connectivity between cities such as currently being done with the new high-speed railway (HS2).

With regard to energy, the panellists endorsed the **transition to renewable sources** and the **reduction of energy consumption**. They praised the focus on the UK's transition to a more sustainable supply at national level, but they expressed the need for more support at city level, such as for the retrofitting of social housing.

A more dynamic move towards sustainability was taking place in the commercial rather than the residential real estate markets, the panellists pointed out. This was mostly driven by the commercial tenants' ESG agendas.

There was also the need, said the panellists, **for a national infrastructure fund** to support small and large-scale projects as part of the UK's energy transition, at both national and city level.



London at MIPIM

The panellists also briefly discussed the **UK's ambition to lead in Industry 4.0**, the fourth industrial revolution. For this to happen, they said that cities needed to act as facilitators to attract and 'create' the right workforce. A very important element of this lies in a closer collaboration between universities and the public sector, which can and must be created at city level, they said.

The discussion concluded with the conviction, that **cities done well were the most sustainable way of living.**



Jorden Korte
MIF 2022



London at MIPIM

Session Topic

Creating Space for Europe's Hub of Technology and Innovation

Speakers on this panel, moderated by **Susan Freeman**, Partner, Mishcon de Reya, included: **Aaron Block**, Co-Founder and Managing Partner, Metaprop; **Catherine McGuinness**, Policy Chair, City of London Corporation; **Roelof Opperman**, Partner, Co-Head of Europe, Fifth Wall; and **Chris Walters**, Head of UK Life Sciences, JLL

Tech and life science companies have a significant economic and social impact, which is why London is implementing a plan to build on its position as a hub for tech and life science companies.

Although London is already recognised as one of the most important **tech hubs in Europe**, **life sciences are still in a very early stage in the city**, with a large growth potential over the next decade. The stock of life science facilities in Europe is well below the US level, both in absolute and relative terms.

In order to capture this foreseeable growth in life sciences, the UK authorities are promoting the **triangle formed by London, Oxford and Cambridge**. Good transport and communications, a multicultural environment and best-in-class universities make this triangle of cities extremely attractive for industry players.

The **local authorities in the area are working together to create a favourable investment environment**, including the provision of incentives to attract employers. The panellists highlighted the need for a strategic plan for the additional infrastructure required to help attract such players to the area.

Additional residential is also called for, with **housing affordability one the most significant structural problems if talent is to be attracted**. In the short and medium term, public-private partnerships between local authorities and real estate investors are expected to play an important role in developing more housing.

By attracting tech and life-science companies to the area, this will help build new communities and **generate new economic activity** – and ultimately more wealth for all stakeholders.



London at MIPIM

With all this considered, the creation of a tech and life science hub will bring a **unique opportunity for the UK to diversify its economy and to attract foreign investment.**

The London-Cambridge-Oxford triangle stands up as an optimal geographic spot for the industry, with outstanding synergies to be captured by those corporates who decide to locate their headquarters there.

The UK Government is well aware of this, and is allocating a significant amount of resources to present the UK as the place to be in Europe for tech and life-science industries.



Cristian Suarez Alvarado
MIF 2022



London at MIPIM

Session Topic

London Boroughs and their Opportunities

Speakers on this panel, moderated by **Peter Murray**, Curator-in-Chief, New London Architecture, included: **Councillor Darren Rodwell**, Leader, Barking and Dagenham Council; **Philip Barnes**, Group Land Planning Director, Barratt Developments; **Manisha Patel**, Senior Partner, PRP; and **Nick Searl**, Joint Managing Partner, Argent

London is a city of ambition and power. So much is still to be done, with each of the city's 32 boroughs presenting opportunities.

London's continuing and growing economic performance is driving job growth and the real estate market, making it a great city to invest in on a micro and macro level.

Opportunity London is an initiative promoting sustainable investment in real estate, regeneration and green infrastructure across London's boroughs and communities. It was a way forward that worked for everyone, said the panellists.

The initiative highlights each borough's ambitions, together with the need for infrastructure. **Cross-borough thinking and collaboration achieved more and was key for moving London forward**, the panellists said.

London's demographic is changing, people are changing, and society is changing. Boroughs work in different ways and **bringing new "typologies" into London is necessary if we want to increase density**. The planning process needs to alleviate the pressure faced by the public and private sectors due to the higher costs of increasing building regulations, rising land prices and the challenges of climate change.

London is struggling to retain its talent, which is vital for future generations. To help retain talent, **the city wants to provide affordable housing for 50% of its residents**, including professionals.

When developing a property, interests are aligned over years of investing time, energy, and money. It was important for key stakeholders to evaluate what happened when things went wrong in a project, said the panellists. Incorporating sustainability criteria and information from an early stage, creating checks, and having an informed vision about what strategically was going to happen was important for any development project, they added.



London at MIPIM

Investors were looking for quality ESG criteria to support their own funds, as well as a trusting relationship between the local authority and developer, said the panellists.

Working as a combined group, local authorities and developers need to give investors the belief they will be delivering what they promise to attract money into London's boroughs and businesses.

London presents an opportunity for investment, an opportunity to deliver and to build a city the size of Amsterdam in East London – **there is much work needed to keep London on top of its game.**



Kasia Cios
MBA 2022



London at MIPIM

Session Topic

The Need for Offices

Speakers on this panel, moderated by **Peter Murray**, Curator-in-Chief, New London Architecture, included: **Jason Balls**, Main Board Director, EPR Architects; **Nicoletta De Bona Bottegal**, Lead Portfolio Manager & Team Lead Real Estate, DWS Group; and **John Harcourt**, Managing Director, Kajima Properties, Kajima.

The panel kicked off with the moderator setting the scene and asking some critical questions. How does the future look for office space in London? What role do offices play in the economy?

During the discussion, there was a broad consensus that **hybrid working was here to stay**. The discussion then turned to how hybrid working sets new requirements for office design, as well as the role of the office to attract talent, and how to enhance employees' productivity in a hybrid world.

One panellist pointed to **flexible buildings** as a key to this issue. **Office space is an important catalyst for establishing a connection with employees**. The panel said that future office space should be adaptable, to enable it to facilitate experiences, such as workshops, events and company meetings, as requirements for isolated workspaces at the office will diminish.

New demand for office space will require significant new development, and preferably re-development, given that re-development is more environmentally friendly in terms of lifecycle emissions. However, the panellist who presented this argument also expressed concerns about the achievable standards of refurbished buildings versus new developments from a cost-benefit perspective.

The architect on the panel summarised it well by stating that **the refurbishment of an old building is an interesting and beautiful challenge that balances both aesthetics, costs and environmental impact**.

Finally, the discussion fell to the technological requirement of the office building of the future, especially in terms of the efficient use of buildings. The panel discussion ended with an open question from the panellists on how to use technology in the best possible way.

Susse Schaumann
MIM 2022



Participating Companies

MIPIM is the largest gathering of the real estate industry in the world.

The most influential players from all international property sectors – offices, residential, retail, healthcare, hospitality, logistics and industrial – take part. Offering unrivalled access to the greatest number of development projects and sources of capital worldwide, MIPIM gathers all players from the commercial property value chain for a year's worth of business in four intensive days.

MIPIM in a nutshell

360

Speakers

1/4

Participants are investors

20,000

Delegates

18,500

M²

2,400

Exhibiting Companies

80

Countries

“MIPIM was a unique opportunity to connect with global real estate thought leaders, and a platform to discover the latest market trends, insights, and overall investors sentiment. It was particularly revealing to see how the various actors had bounced back from the pandemic, and how the pandemic had accelerated the focus on creating a greener – and more resilient – built environment.

Being part of the closed-door events was a highly enriching experience. Participants, leaders from across the investment community, gathered to discuss top-of-mind issues focused on the need to build greener cities, and addressing the various supply/demand imbalances across asset classes and geographies.

I am grateful that London Business School gave me this lifetime opportunity to attend these sessions and I am confident that the takeaways from the sessions will prove materially useful for my career.”

Patrice Noujaim, MBA 2023

End of Book
