



Research



Research Newsletter

SUMMER 2015



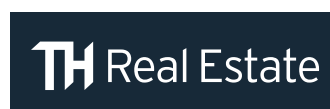
A summary of research commissioned by the IPF and other property industry bodies

The IPF Research Programme supports the IPF's wider goals of enhancing the understanding and efficiency of property as an investment. The initiative provides the UK property investment market with the ability to deliver substantial, objective and high-quality analysis on a structured basis. It encourages the whole industry to engage with other financial markets, the wider business community and government on a range of complementary issues.

The 2015-2018 Programme is funded by a cross-section of businesses, representing key market participants. The IPF gratefully acknowledges the support of these contributing organisations:



CORNERSTONE



The IPF Research Programme is the largest property investment focused research programme in the UK. Research is fundamental to the pursuit of the IPF objectives of improving the efficiency of the property investment markets and raising awareness and understanding of property as an asset class. It is one of the most important IPF activities, along with the education and CPD programmes. As one of the benefits of membership, IPF members can download the full findings of all IPF-funded research free of charge from our website. Non-members can download summary reports and all historic research publications free of charge.

This newsletter provides an up-date of the outputs of the IPF Research Programme since the previous bulletin was published, together with advance notification of new projects in the pipeline.

In order to provide readers with a wide view of relevant research activity within the industry, the newsletter also summarises recently completed and current projects being undertaken by other members of the Property Industry Alliance (PIA), comprising: Association of Real Estate Funds (AREF), British Council for Offices (BCO), British Council of Shopping Centres (BCSC), British Property Federation (BPF), Commercial Real Estate Finance Council Europe (CREFCE), Investment Association (IA), Royal Institution of Chartered Surveyors (RICS) and Urban Land Institute (ULI).

Additionally, for the first time, details of research being undertaken by INREV, the European Association for Investors in Non-Listed Real Estate Vehicles, are included in this circular.

The next newsletter will be produced in approximately six months' time.

Dissemination

The IPF is very keen that the outputs of the Research Programme are disseminated to as wide an audience as possible. Research reports are circulated as:

- Summary reports, annual surveys and short papers, available to download from our website free of charge to members and non-members alike.
- Full research reports, available to download from our website by Research Programme Sponsors and members only for the first 12 months following publication.

Non-members seeking access to these reports should contact Pam Craddock, IPF Research Director, at pcraddock@ipf.org.uk in the first instance.

The IPF Research Programme has developed as an important provider of high quality independent research, focused specifically on property investment. We can only continue to fulfil this role through the support of our sponsoring organisations. We are very grateful to this group for funding the Programme.

Recently Published IPF Research

Prospects for Institutional Investment in Social Housing (February 2015)

The investment profile of potentially long-term, index-linked income is an attractive proposition for institutions to match against their annuity/pension liabilities but, to date, there have been few examples of such organisations investing directly into this sector of the residential market.

This research identifies the barriers (real or imagined) that investors face, the nature and scale of institutional appetite and how closely the interests of investors and providers are aligned. The investigation extends beyond the UK, to incorporate case studies of the range of strategies adopted by social housing providers and investors in Europe, North America and Australia.

Summary and Full reports are available to download from the **Resource Library**.

Estimating Liquidity in Real Estate Markets - Literature Review (February 2015)

This paper explores developments in both finance and real estate on this topic, discussing a wide range of possible liquidity measures and considering their merits and applicability to property markets. Two types of liquidity – trading and funding – are distinguished and the research goes on to identify five main dimensions – relating to time, cost and potential price impacts of trading – and summarises the main liquidity measures under a number of categories with proxies for liquidity and illiquidity.

Click to view document.

Liquidity Pricing of Illiquid Assets (February 2015)

This final part of the 2014 liquidity project built on the first two papers to estimate a range of liquidity risk premia for property, empirically computing several measures of liquidity identified in the literature review, and uses these – along with the results on time to transact from Time to Transact: Measurement and Drivers – in a modelling exercise that allows the estimation of a risk premium linked to time to market and its uncertainty.

Click to view document.

Individual Property Risk (July 2015)

This research examines the sensitivity of individual properties to market performance, the magnitude of specific risk and the factors that lead to variations in performance. It also seeks to determine whether high specific risk in individual properties is mainly associated with the approach to and realisation of a lease event and what other sources of high specific risk prevail. The extent to which assets exposed to lease events do/do not experience high specific risk is also considered. A summary of this research is available in addition to the full report.

Click to view document.

Recently Published IPF Research

Short Papers Series

A Review of Interest Rate Hedging Strategies (January 2015)

This research looks at how interest rate hedging products have been used historically in the real estate market and how this behaviour has changed over time. The report concludes with a framework that borrowers and banks should consider when entering into interest rate hedging to protect real estate debt liabilities.

[Click to view document.](#)

What Constitutes Property for Investment Purposes? A Review of Alternative Assets (February 2015)

This study considers the marked growth in investment beyond the main traditional commercial real estate sectors and how interest in a range of 'real asset' types, including real estate, infrastructure and natural resources, is leading investors to rethink their definition of real estate and the role that it can and should be playing in a mixed asset portfolio.

[Click to view document.](#)

What is Fair Value? (April 2015)

This research examines the rise of new investor types and considers the drivers for this rise in demand, its durability and impact on market pricing with its implications for fair value, including whether conventional approaches to assessing fair value need to be re-appraised.

[Click to view document.](#)

Implications of a UK Withdrawal from the EU: A Discussion Paper (April 2015)

Resulting from a round table debate conducted prior to the General Election, this paper documents the view of a number of leading industry figures in the event of a Conservative victory.

The period leading up to a referendum is likely to be marked by a great deal of uncertainty for occupiers, as well as a potential stasis in the investment market, as foreign investors adopt a 'wait and see' approach. Should an exit take place, it is difficult to determine whether permanent long-term damage to the UK would occur with so many influencing factors, including the terms of any new trade agreements, inward foreign investment, restrictions on migration and the like.

[Click to view document.](#)

Pricing Retail Space (June 2015)

This research examines the challenges to both retailers and investors in valuing the worth of physical stores when faced with a lack of meaningful data. The study presents a methodology for estimating the increase (or decrease) in in-store sales productivity arising from the impact of omnichannel retailing. Changes in sales productivity across six retail sub-sectors and four types of retail location have been analysed, delivering initial results that suggest there may be some significant winners and losers.

[Click to view document.](#)

IPF Work in Progress

Major Reports

International Liquidity

Liquidity is a key factor in private commercial real estate investment, affecting pricing and investment strategies, varying over time and between individual assets in the private real estate market. It also varies between different cities and countries, but research is currently lacking on such differences and the extent to which they are priced. To address this omission, University College London and the University of Reading have been appointed to investigate how liquidity varies across international real estate markets.

The project is scheduled for completion by the end of the year.

Short Papers

UK Development Finance Review 2015

This report updates and expands upon the 2011 Outlook for Development Finance research. Based on interviews with over 60 lenders and developers, the research records the considerable increase in development finance advances over the last three years, in part reflecting the substantial growth in the number and types of lender now targeting the UK market. The study also reveals which lenders dominate the market for senior lending on pre-let and pre-sold development projects and who is providing much of what speculative funding now available.

Scheduled for publication August 2015.

Emerging International Real Estate Markets

The range and type of markets that are considered appropriate for institutional real estate investment activity is increasing, with globalisation and growing transparency driving this trend. Not all markets are considered equally "investable", however, as similar types of investors take very different views on whether emerging real estate markets are developed sufficiently to meet their investment aims. This research will identify the characteristics of non-domestic real estate markets that make them investable for institutions and what characteristics allow markets to emerge.

Scheduled for publication Autumn 2015.

Classifying Real Estate Quality

A definition of 'quality' in a property investment context is increasingly sought after by the investment management and advisory communities, but how can these factors be included in an investment management framework when there is a lack of a clear definition of quality and therefore a lack of data measuring the impact of quality on market returns?

Recently commissioned, this study is due to be concluded in the autumn.

Research Proposals

We are pleased to consider unsolicited research proposals from academics and practitioners alike and, in terms of themes, specific areas of interest for the 2015-2018 Programme comprise:

- asset allocation;
- portfolio selection; and
- asset management.

Additionally, we seek to support a number of key industry issues identified by the IPF membership. Research proposals will be welcomed that seek to enhance the understanding of:

- how property is financed and funded;
- the impact of legislation and regulation;
- sustainability;
- internationalisation of real estate; and
- alternative property investment.

Proposals that clearly specify how the findings of such research are to be disseminated and, where applicable, how researchers will engage with industry practitioners to encourage the adoption of new approaches may given greater consideration than those that do not include such information.

Guidance notes and an application form maybe downloaded from the **IPF website**. If you would like to discuss a potential research proposal prior to submission, please contact Pam Craddock, IPF Research Director.

If you are in a position to provide data, contacts or any other type of support for new research projects, please contact Pam Craddock, IPF Research Director, at pcraddock@ipf.org.uk.

Regular Publications

Regular Reports & Surveys are all available to download from the **Resource Library** of the IPF website.

The Size & Structure of the UK Property Investment Market: End 2014 Update (July 2014)

This is the second annual update of this major research report published in March 2014, which records the total value of invested and owner-occupied commercial property in the at the end of 2014. In addition to the published update, an excel file of tables and charts provides summary data in a readily accessible format.

UK Residential Property: Institutional Attitudes and Investment Survey 2015

Now in its fourth year, this survey provides an indicator of the level of investment and interest in UK residential property. Respondents hold or managed in excess of £3 trillion of investments, of which real estate comprises approximately £220 billion. Over three-quarters of contributors (37 out of 48) have an exposure to UK residential assets in their portfolios, with a cumulative value exceeding £15 billion.

A half of existing investors plan to increase their investment in the sector over the next 12 months, with over £6 billion of funds potentially available. All types of residential assets are being targeted, with the private rented sector the most favoured, followed by development.

Scheduled for publication August 2015

UK Consensus Forecast

Published on a quarterly basis, the IPF UK Consensus Forecast provides a consensus view of the likely performance of the UK commercial property markets annually over the next five years. Contributors to the consensus are drawn from the fund management, agency, research and equity broker communities. The latest version is posted on the IPF website with a summary report available for non-members. Historic reports (published more than 12 months ago) are available free of charge to both members and non-members. The most recent survey results were published in May 2015.

European Consensus Forecast of Prime Office Rents

Published on a six-monthly basis, the European Consensus forecast provides a consensus view of prime office rents in 28 European cities for each of the next five years. The contributors to the European Consensus Forecast are drawn from the investor, agent and research communities across Europe. The results of this survey are published in May and November of each year.

IPF Back Catalogue

The following research has been funded and published through the IPF Research Programme 2011-2015. Full reports are available to download from the **Resource Library** of the IPF website by IPF members only in the first 12 months following publication.

- Liquidity Pricing of Illiquid Assets (February 2015)
- Estimating Liquidity in Real Estate Markets - Literature Review (February 2015)
- Prospects for Institutional Investment in Social Housing (February 2015)
- Time to Transact: Measurement and Drivers (September 2014)
- The Size and Structure of the UK Property Market 2013: A Decade of Change (March 2014)
- Returning to the Core: Rediscovering a Role for Real Estate in Defined Contribution Pension Schemes (October 2013)¹
- Modelling Causes of Rental Depreciation for UK Office and Industrial Properties (June 2013)
- The Role of Commercial Property in the UK Economy (March 2013)
- The Future of Property Forecasting (November 2012)
- Reassessing the Accuracy of UK Commercial Property Forecasts (November 2012)
- Costing Energy Efficiency Improvements in Existing Commercial Buildings (October 2012)

Research funded and published through the IPF Research Programme 2006-2009:

- Real Estate's Role in the Mixed Asset Portfolio: A Re-examination:
 - Real Estate Returns and Financial Assets in Extreme Markets (May 2012)
 - Time Varying Influences on Real Estate Returns (April 2012)
 - Private Commercial Real Estate Returns and the Valuation Process (April 2012)
 - Real Estate Returns and Other Asset Classes: A Review of Literature (April 2012)
 - A Re-examination Summary Report (March 2012)
- Depreciation of Commercial Investment Property in the UK (November 2011)
- Property and Inflation (April 2011)
- Risk Web 2.0 An Investigation into the Causes of Portfolio Risk (March 2011)
- UK Institutional Investors: Property Allocations, Influences and Strategies (July 2010)
- Depreciation of Office Investment Property in Europe (March 2010)
- ISPI (UK): Creating a Sustainable Property Investment Index (October 2009)
- The Treatment of Covenant Strength by the UK Property Industry (August 2009)
- Urban Regeneration: Opportunities for Property Investment (August 2009)
- Greening Leases – The Landlord and Tenant Relationship as a Driver for Sustainability (August 2009)
- Demand for Sustainable Office Buildings in the UK (May 2009)
- Real Estate Investment Trusts: The US Experience and Lessons for the UK (May 2009)

¹ Funded jointly with AREF, EPRA and the IFOA and available to download via all organisations' websites.

IPF Back Catalogue

- Costing Energy Efficiency Improvements in Existing Commercial Buildings (January 2009)
- Implication for the Strategic Development of UK REITs from the Experience of LPTs in Australia (April 2008)
- Retail Investor Attitudes to Commercial Property Investment (May 2008)
- Alpha and Persistence in UK Property Fund Management (April 2008)
- Risk Management in UK Property Portfolios: A Survey of Current Practice (December 2007)
- Large-scale Investor Opportunities in Residential Property: An Overview (November 2007)
- The Energy Performance of Buildings Directive and Commercial Property Investment: A Situation Review (September 2007)
- The Use of Periodic Valuations in Indirect Property Investment (June 2007)

Short Paper Series – all reports are available to download free of charge from the **Resource Library** on the IPF website:

- Pricing Retail Space (June 2015)
- Implications of a UK Withdrawal from the EU: A Discussion Paper (April 2015)
- What is Fair Value? (April 2015)
- What Constitutes Property for Investment Purposes? A Review of Alternative Assets (February 2015)
- A Review of Interest Rate Hedging Strategies (January 2015)
- Residential Investment in International Markets (November 2014)
- Zombies and Beyond: A Further Update on UK Real Estate Debt (September 2014)
- Implications for Property Yields of Rising Bond Yields (June 2014)
- Constructing an Effective Rental Value Index (January 2013)
- A Decade of Fund Returns (July 2012)
- Implications of the Eurozone Crisis for the UK Real Estate Market and UK Investors (June 2012)
- Institutional Attitudes to Investment in UK Residential Property (June 2012)
- Property Banking Forum: Outlook for Development Finance (November 2011)
- The Outlook for UK CMBS (November 2011)
- Property Banking Forum: Lending Intentions Survey 2011 (March 2011)
- A Review of the Current State of the UK CMBS Market (February 2011)
- Rent Reviews – Revolution or Evolution? (November 2010)
- Break Clauses – Who Holds the Risk in your Rental Income? (November 2010)
- Prepack Administrations and Company Voluntary Arrangements (February 2011)
- Real Estate Debt - an update (January 2010)
- The Evolution of the Market for Indirect Investments in Commercial Property (Feb. 2010)
- The Robustness of Property Income (November 2009)
- Repricing Property Risk (November 2009)

IPF Back Catalogue

- Issues in Property Investment Valuation (October 2009)
- The IPF UK Consensus Forecast and the Returns Implied by Property Derivative Pricing: Evolution, Record & Influence (August 2009)
- UK Real Estate Debt: Problem for the Borrowers and the Banks (July 2009)

In addition to the research listed, the following research projects were funded through the IPF and IPF Educational Trust Joint Research Programme, some with additional partnership funding:

- Planning Policy and Retail Property Market Performance in English Towns and Cities (October 2008)
- Asset Allocation in the Modern World (July 2007)
- Index Smoothing and the Volatility of UK Commercial Property (March 2007)
- Risk Reduction and Diversification in Property Portfolios (February 2007)
- Property Stock Selection: Organisation, Incentives and Information (November 2006)
- The Sustainable Property Appraisal Project² (November 2006)
- Pricing Property Derivatives: An Initial Review (September 2006)
- The Investment Performance of Listed Office Buildings² (May 2006)
- Institutional Investment in Regeneration: Necessary Conditions for Effective Funding² (May 2006)
- Disagreement and Uncertainty in UK Property Market Forecasts (January 2006)
- Depreciation in Commercial Property Markets (July 2005)
- Investment Performance and Lease Structure Change in the UK (July 2005)
- The Size and Structure of the UK Property Market (July 2005)
- Opening the Door to Property: Assessing the Needs of Small Investors in Property (September 2004)
- Liquidity in Commercial Property Markets (April 2004)

PDF copies of all these reports are available to download free of charge from the Resource Library of the IPF website: <http://www.ipf.org.uk/resourcelibrary.html>

If you have any questions about the IPF Research Programme or about any of the reports listed above, please contact Pam Craddock (pcraddock@ipf.org.uk).

² Additional joint funding

Recent AREF Research

AREF Survey of Financial Advisers Report (July 2015)

An online survey of Financial Advisors is run four times a year to identify their attitude to property investment. This research provides interesting data on the recommendations advisers are making in regard to property allocations within an investment portfolio, the returns expected by their clients and how their views of property change over time. Repetition of the survey every three months has enabled the development of longitudinal data, tracking advisers attitudes to commercial property as an asset class.

Click to view document.

AREF/PFR Global Real Estate Funds Review for H2 2014 (February 2015)

This survey measure the total number and total estimated gross asset value (GAV) of funds launched in 2014, recording 155 fund launches last year, compared with 218 in 2013. The survey identifies funds by type (value added, core, opportunistic) and markets (global, Europe, UK, North America, Asia and Emerging) as well as providing an overview of the composition of the different universes.

Click to view document.

Recent BCO Research

Socio-demographic Change (January 2015)

The BCO's Environmental Sustainability Group started a series of briefing notes on innovation in 2014 and this note is the second in the series. This briefing note considers socio-demographic changes and the impact these changes are likely to have on offices in the future as offices adapt to accommodate an increasingly diverse workforce.

Energy Savings Opportunity Scheme (ESOS) (March 2015)

A third briefing note from the BCO's Environmental Sustainability Group, this latest note covers the Energy Savings Opportunity Scheme (ESOS).

ESOS is an energy assessment and savings scheme which is administered by the Environment Agency. Organisations participating in the ESOS scheme must account for their total energy use and examine the way their offices use energy. In the longer term ESOS will increase the transparency of the energy performance of individual buildings.

BCO Guide to Fit Out Online

The latest edition (2011) of this best practice guide provides occupiers with a clear framework on which to base their office fit outs in the future and it is now available online.

The purpose of the BCO Guide to Fit Out is to set the standards for professionals and occupiers to achieve the best quality office fit outs. This Guide brings together the knowledge of over 70 BCO members, with extensive experience in the design and implementation of office fit outs, and makes it accessible to the wider market.

201 Bishopsgate, Post Occupancy Evaluation – An Occupier's Perspective (April 2015)

This case study discusses the energy performance of 201 Bishopsgate, it is informed by a 2 year post occupancy evaluation research project which was part of Innovate UK's Building Performance Evaluation programme.

Building energy performance was in the top five criteria used by the occupier, Henderson Global Investors, to select their new office space. 201 Bishopsgate achieved a BREEAM Excellent rating with an estimated 41% reduction in operational carbon emissions compared to the minimum standard (Part L Building Regulations 2002). Yet, there was a difference between the design stage estimates of energy performance and the reality. British Land and Henderson committed to investigate and improve the environmental performance of the building. This case study reveals the findings of a 2 year post occupancy evaluation project.

Recent BCO Research

Putting People First (May 2015)

To what extent do architects and engineers have a duty to ensure that building occupants are healthy and happy?

People spend, on average, 90% of their time in buildings which gives architects and engineers an opportunity to positively affect people's health and wellbeing. Maslow defined wellbeing as a hierarchy of needs that includes physiological, psychological, social and personal needs. For built environment professionals, this implies an integrated, disciplinary approach that relates to attention to design, operations and occupant behaviour. This paper builds upon an earlier BCO report *Making the business case for wellbeing*, which was published in July 2014.

Building Performance (July 2015)

Research study calling for a rethink of the relationship between owners, managers and occupiers of the office sector.

Based on new in-depth research with corporate occupiers, this report shows that although satisfaction within the UK office industry is improving, it is not at a fast enough rate to satisfy the majority of occupiers. A ten-point action plan was developed to address and improve the alignment between owners, managers and occupiers as part of the research process. The property sector is perceived to be 'lagging behind' in the customer-service revolution. The report follows research published in 2002 that highlighted shortcomings in occupier satisfaction with the way their buildings are managed on their behalf.

It sets out what we at the BCO see as an important course of action to impact a step-change in the industry, but only time will tell whether this will lead to prescriptive service-level commitments in line with other sectors

All research can be downloaded via the BCO website: <http://www.bco.org.uk/research/publications.aspx>

Recent BCSC Research

Marketing metrics for shopping centres – A best practice guide (March 2015)

Retail marketing as a discipline has witnessed tremendous change over the last few years. We have seen significant advances both in terms of the professional skillsets of individuals now working in the sector and in the wider industry's growing appreciation of marketing as a valuable driver of asset growth. In partnership with the Property Managers Association (PMA) this report provides the industry with practical guidance on key performance indicators (KPIs) and marketing measurement.

It explores the challenges faced by small and medium sized centres when adopting a marketing strategy. With data from shopping centres across UK, of every size and format, as well as major retail property landlords, the paper outlines best practice guidelines for an industry that is increasingly reliant on marketing efforts to create theatre and stimulating experiences to entice shoppers into stores.

The research was commissioned from The Bee Group and Retail Marketing Associates and a summary of the report can be downloaded here from the BCSC website. **Click to view document.**

Sustainable Shopping Centres: Energy, Performance and Value (June 2015)

Is there, or will there be, a relationship between energy and financial performance that will affect the value of shopping centres?

This is the third and final component of a three-part series on low carbon shopping centres produced by the BCSC. The first report, Accelerating Change, examined the regulatory and market drivers for low carbon shopping centres and found both an appetite for change but also confusion about what to do. The second report, Cutting Carbon, Cutting Costs, showed how retailers could specifically reduce carbon and costs by adopting low cost technologies and better management practices.

This third report commissioned from CBRE, explores what cutting carbon actually means for shopping centres. For the first time there is research based evidence to support the real and tangible benefits of investing in energy efficient features to drive shopping centre market value. Spanning 35 UK shopping centres, the research utilises valuation modelling to investigate the dynamic between energy efficiency and associated costs, versus shopping centres' asset value in relation to the premature scrapping of high energy equipment and replacement with new energy efficient kit.

It finds that investing in sustainable features increases the market value of shopping centres in the UK, by up to and over 5%.

Guidance notes

A suite of guidance notes are being prepared by the Technical Affairs and Security and Safer Shopping Committees, in the areas of:

- Maximising the Value of Data Networks
- Guidance note 94: Energy Saving Opportunity Scheme (ESOS)
- Security Threat Mitigation Response Levels
- Shopfront Design
- Slip Resistance
- CDM Regulations
- Whole-Life Carbon Impacts on Retail
- BREEAM and Part L

BCSC research can be downloaded from the **BCSC website**.

Recent BPF Research

Mansion Tax Survey of MPs, Attitudes towards Property Tax Reform (with ComRes) (January 2015)

Ahead of the General Election, the BPF commissioned Com Res to survey 150 backbench MPs on their attitudes towards the Mansion Tax, the survey being conducted between 25 November and 19 December 2014. The results of the poll showed that seven in 10 MPs believed that additional higher-rate council tax bands would be a better way to reform annual property taxes on high-value homes than a mansion tax. In addition, two-fifths of Labour MPs favoured additional council tax bands over a mansion tax and three-quarters of MPs agreed there was a need for a revaluation of council tax.

Data tables may be downloaded via the ComRes website (<http://comres.co.uk/polls/british-property-federation-mansion-tax-mps-survey/>) and further details of the survey can be obtained from the BPF website: <http://www.bpf.org.uk/media/press-releases/poll-shows-majority-mps-prefer-council-tax-revaluation-mansion-tax>.

De Montfort University Commercial Property Lending Report (with others) (May 2015)

The annual De Montfort Commercial Property Lending Report is the most comprehensive study of the UK's commercial property lending market and has become a benchmark industry report for the sector. This 2014 year-end report uses data collected in 2015 and presents market activity for 2014, adding this to the trends established from earlier years. The report extends to various topics, such as recent lending activity, typical loan terms and size of the commercial property lending market. The report is compiled from data provided by approximately 80 of the major commercial property lenders operating within the UK and, more recently, non-bank organisations that have also entered the market.

The report is available to purchase and an outline of the key findings can be found on the BPF website: <http://www.bpf.org.uk/media/press-releases/commercial-property-lending-reaches-post-crash-high-new-lenders-continue-enter>

Recent INREV Research

Investment Intentions Survey (January 2015)

The survey explores global real estate allocations and provides insights into expected investment trends among investors, fund of funds managers and fund managers in the non-listed real estate industry across Europe, Asia Pacific and North America. The report focuses on the investor outlook for Europe, including insights into strategies, most desirable investment destinations, and preferred fund styles, fund structures and sectors.

In 2013 the Investment Intentions Survey became a joint research project between INREV and ANREV, and in 2014 the survey had a global outreach and became a joint research project between INREV, ANREV and PREA.

[Click to view document.](#)

Investor Perspectives on Indirect Real Estate Liquidity (May 2015)

This survey focuses on the liquidity needs and requirements of investors who invest in indirect real estate. The aims of the study are to identify how investors define liquidity, discover the importance they ascribe to liquidity when compared to other investment considerations and explore the factors that influence their liquidity needs. Furthermore, the study examines investor views on the drivers of indirect real estate liquidity and their perspectives on the liquidity of indirect real estate vehicles, with a particular focus on closed end and open end real estate funds. Preferred secondary market transaction methodologies are also examined. Finally, investor suggestions for changes to the indirect real estate market which could enhance liquidity are discussed.

[Click to view document.](#)

Fund Manager Survey (May 2015)

The Fund Manager Survey provides an overview of active fund managers in the non-listed real estate fund industry globally. The report includes a ranking of the top 50 fund managers by total real estate AUM for non-listed and listed vehicles investing directly and indirectly into real estate, and by AUM for all non-listed direct real estate vehicles, including funds / commingled funds, separate accounts, joint ventures and club deals as well as by AUM for non-listed real estate funds / commingled funds across Europe, Asia Pacific and North America.

In 2013 the Fund Manager Survey became a joint research project between INREV and ANREV, and in 2015 the survey had a global outreach and became a joint research project between INREV, ANREV and NCREIF.

[Click to view document.](#)

Capital Raising Survey (June 2015)

The survey explores global capital raising activities for non-listed real estate vehicles, which include non-listed real estate funds, separate accounts, joint ventures, club deals, funds of funds and non-listed real estate debt funds. The report provides insights into capital raising activities by region, investment strategy, style, structure, leverage and country and sector focus across Europe, Asia Pacific and North America.

In 2013 the Capital Raising Survey became a joint research project between INREV and ANREV, and in 2015 the survey had a global outreach and became a joint research project between INREV, ANREV and NCREIF.

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Recent INREV Research

Capital Expenditure and Performance: the case of Germany, the Netherlands, the UK and the USA (July 2015)

This aim of this study is to explore whether and how cap-ex impacts future investment performance, with a focus on Germany, the Netherlands, the UK and the USA. The study explains the characteristics of cap-ex across countries, by property type within countries and over time, and explores the relationships between cap-ex and various dimensions of performance, which leads to a summary of the range of practical implications as well as areas for further research. The paper provides some original and important insights to better understand cap-ex and the relationship it has with performance.

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Status and Influence of Corporate Governance on the Non-Listed Real Estate Industry (July 2015)

The research objective of this study is to examine the current status and the influence of corporate governance on the volatility and returns of non-listed real estate funds, and seeks to address the following questions: how has corporate governance for the non-listed industry changed over the last twenty years? How does corporate governance affect fund performance, risk, volatility and capital raising ability? The approach to this study seeks to identify and reveal fund managers' opinions on corporate governance principles, providing an interesting insight into governance practices and managers' views.

Click to view document.

PIA Research

Property Data Report

Drawing together key facts about the commercial property sector, this annual publication provides statistics demonstrating the link between UK commercial property markets and the wider economy and aims to raise awareness of the contribution of the commercial property sector to UK GDP, employment, pensions and savings.

The 2015 report is due to be published in October 2015 and will be available on all PIA member websites.

Recent RICS Research

Sustainable Urban Drainage (December 2014)

This research examines the potential for mitigation of predominantly pluvial flooding in central business districts (CBD) through retrofitting of sustainable urban drainage systems.

It draws upon case studies in the commercial office sector in Melbourne, Australia and Newcastle, UK. The research focuses on the following objectives:

- To evaluate the potential proportion of buildings which could be physically retrofitted with green roof technology, and the potential for adjoining CBD spaces to be retrofitted with permeable paving;
- To explore the potential reduction in rainwater run-off from green roof retrofits in Newcastle and Melbourne;
- To analyse the costs and benefits of sustainable urban drainage systems (SUDS) retrofits for flood risk reduction, identify additional social and environmental benefits of green roof retrofit and develop a conceptual model for green roof retrofit to commercial buildings;
- To identify and summarise available guidance for retrofitting SUDS on commercial buildings for the benefit of surveyors.

[Click to view document.](#)

Climate Risk Toolkit (March 2015)

This report and online tool help the built environment sector in eight European countries determine the risk and impact climate change will have on non-domestic, or commercial, buildings.

[Click to view document.](#)

Innovative Finance for Real Estate Development in Pan-European Regeneration (March 2015)

A critical review and analysis of innovative financial instruments for real estate development in Western Europe: the UK, Germany and Holland. Case study examples from the UK, Germany and the Netherlands were employed to reveal any national nuances in financing with similarities and differences drawn out through comparative analysis.

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The New Waterfront: Who benefits? (March 2015)

The research reviews the current state of urban waterfront regeneration in the context of neoliberal urbanism and city competitiveness. It examines current trends, themes and issues in waterfront regeneration and assesses who benefits from such initiatives, through four case studies in the waterfront areas of Belfast-Northern Ireland, Liverpool - England, Cardiff- Wales and Dublin- Republic of Ireland.

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Recent RICS Research

Making Brownfield Land Available for Housing (April 2015)

Using Nottingham as a case study, the research looks at the barriers to housing development on brownfield land. This research report aims to understand the barriers to housing development on brownfield land in Nottingham and to identify public and private sector solutions to encourage more housing development on brownfield land. Nottingham was chosen as the case study city in the belief that it was reasonably representative of other major cities in England outside London.

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Financial Viability Appraisal in Planning Decisions (April 2015)

Important insights into the operation of development viability appraisal (DVA) in planning. A key concern of the research is to expand the critical evaluation of the methods that identify threshold land value within DVA in a site specific context. The research identifies the determination and role of land value in development viability assessment as the key battleground within appeals. The main issue centres on whether a policy compliant level of planning obligations can be supported by the scheme whilst ensuring an acceptable return to the landowner.

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Developing an approach to Sustainable Return on Investment (July 2015)

This report develops an approach which places a value on the social and environmental impact of projects and applies these to the built environment. The work uses Social Return on Investment and Ecosystem Services Analysis techniques in an integrated manner in the context of projects and programmes in Brazil, the USA and the UK. It uses this approach to define sustainable return on investment.

The research is directed towards built environment professionals in all sectors where evidence of social and environmental value is either demanded by a regulator or funder, or is likely to contribute to competitive advantage. It aims to collaborate with other disciplines in order to add value by developing new/future knowledge for society and practitioners.

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Utilization of BIM (July 2015)

The report analyses the factors shaping the development of BIM in the North American, Chinese and UK construction industries and provides insight in how to navigate these.

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BIM and the value dimension (July 2015)

The central question this research report addresses is how BIM can support the activities and professional services delivered by property professionals.

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Recent ULI Research

Build to Rent: A Best Practice Guide (April 2014)

In April 2014 the ULI UK Residential Council published Build to Rent: A Best Practice Guide, a seminal industry guide for the residential sector. The Guide, co-sponsored by the UK Government's Private Rented Sector Taskforce, aims to provide a valuable and practical guide to the market for the development and ownership of purpose-built residential stock that meets the needs and aspirations of future investors and renters.

A second edition is currently in development for publication in March 2016, which will include new sections on cost, procurement and more detail on management and operations. It will also feature case studies of UK schemes.

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Emerging Trends in Real Estate® (January 2015)

Undertaken jointly by PwC and the Urban Land Institute, Emerging Trends in Real Estate® is an annual series of forecast publications that reflect the views of leading real estate executives in three global regions – Americas, Europe, and Asia Pacific. Emerging Trends in Real Estate® Europe has been published every year since 2003 and provides an outlook on European real estate investment and development, real estate finance and capital markets, as well as trends by property sector and geographical area. It is based on the opinions of more than 500 internationally renowned real estate professionals, including investors, developers, lenders, agents and consultants.

Europe edition: <http://uli.org/research/centers-initiatives/center-for-capital-markets/emerging-trends-in-real-estate/europe/>

Also available:

- Americas edition: <http://uli.org/research/centers-initiatives/center-for-capital-markets/emerging-trends-in-real-estate/americas/>
- Asia Pacific edition: <http://uli.org/research/centers-initiatives/center-for-capital-markets/emerging-trends-in-real-estate/asia-pacific/>
- Global Outlook edition: <http://uli.org/research/centers-initiatives/center-for-capital-markets/emerging-trends-in-real-estate/emerging-trends-real-estate-global-outlook/>

Building Healthy Places Toolkit: Strategies for Enhancing Health in the Built Environment (February 2015)

This ULI report outlines evidence-supported opportunities for enhancing health outcomes in real estate developments. Developers, owners, property managers, designers, investors, and others involved in real estate decision making can use the report's recommendations and strategies to create places that contribute to healthier people and communities, and to enhance and preserve value by meeting growing desires for health-promoting places.

The report outlines 21 recommendations for promoting health at the building or project scale. These "gold star" recommendations are organized according to three categories:

- Physical Activity
- Healthy Food and Drinking Water
- Healthy Environment and Social Well-Being

Recent ULI Research

At the heart of the report lies a rigorous review of existing health literature. The recommendations all have strong supporting evidence. A list of practical implementation strategies and best practices, grouped according to their available evidence base, supports each of the 21 overarching recommendations.

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Tomorrow's City Centre: Glasgow (February 2015)

ULI recently partnered with the Glasgow Chamber of Commerce on the "Tomorrow's City Centre" Retreat and Conference. The aim of these events was to consider how constantly evolving technologies would influence consumer behaviours and potentially impact the Glasgow city centre experience in the next five years.

The project sought to capitalise on the work already being done in the city through the City Centre Strategy; the Future City Demonstrator funded by TSB and Future Cities project at Strathclyde University; as well as galvanising links and intelligence through private sector partners with a fundamental role in city centre experience.

The project was undertaken in partnership with Glasgow Chamber of Commerce and ULI; sponsored by BT, IBM, University of Glasgow, University of Strathclyde and MadeBrave®.

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Density: Drivers, Dividends and Debates (June 2015)

ULI believes that delivering density will be a crucial part of successful urban futures. However, the term itself has different connotations in different parts of the world and the understanding of the economics, planning implications and customer satisfaction of delivering dense development is at very different stages in different cities. This first report in a series of three examines what we mean by the term density, how it's been delivered in different places around the world and what we can learn from different models to help equip us for the new generation of global cities. The report was authored by ULI Europe's Senior Fellow, Professor Greg Clark CBE.

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ULI UK Capital Markets Forum Report 2015 (August 2015)

The report of this year's Capital Markets Forum is now available to download

This report offers insights into the latest European debt and equity market trends as discussed by 25 of Europe's top real estate investors, lenders and advisors at the 2015 Capital Markets Forum. Our sincere thanks to all our participants for their candour in sharing their expertise and to our generous sponsors, Cushman & Wakefield and Dentons.

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