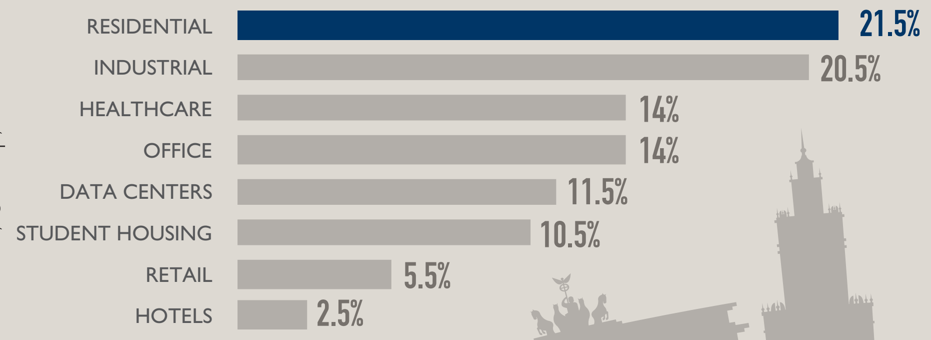
The Rise of Resi

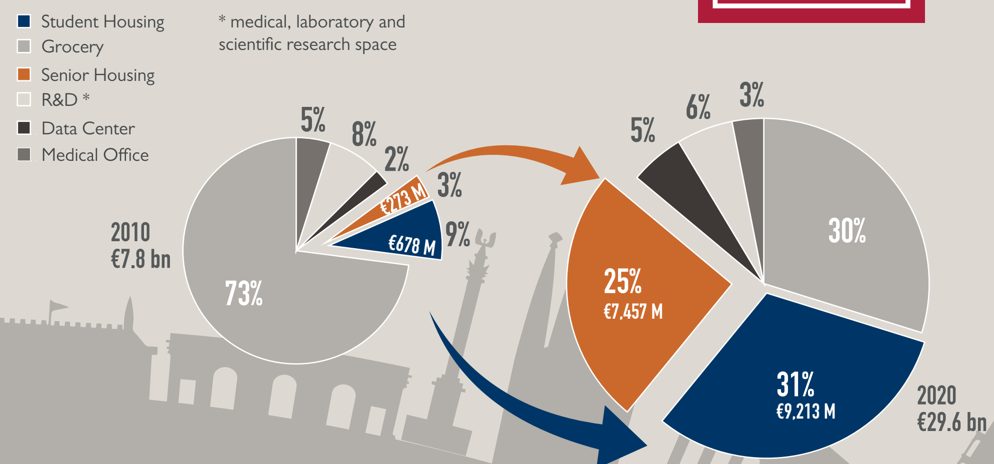
CATELLA

Investment Survey

Which of the following real estate strategies are currently attractive?

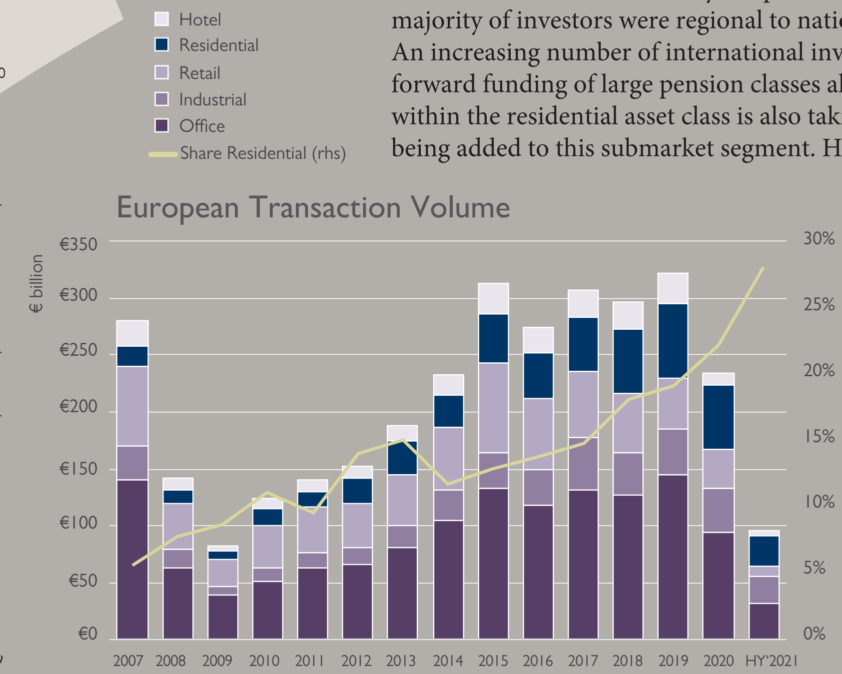


Niche Investment Volume

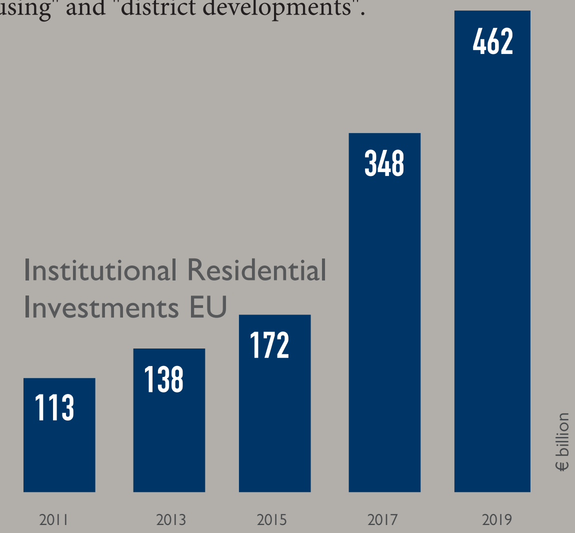


The reasons for strong investor demand since 2015 in the residential sector can be explained as investors seek: increased diversification both in terms of asset class and geography, to match interest rates, and sustained growth prospects driven by the urbanisation megatrend. All of this bolstered in 2020 by the pandemic-fueled trend towards more defensive, risk-averse and ESG-compliant strategies. While the majority of investors were regional to national players before the 2008 financial crisis, the picture has changed dramatically since then. An increasing number of international investors, many of them so-called "first-time buyers", are showing up in Europe. The so-called forward funding of large pension classes also illustrates the move towards developments. It is also important to note that the diversification within the residential asset class is also taking place intra-structurally: Student housing, senior living and healthcare investments are (still) being added to this submarket segment. However, the direction is increasingly moving towards "affordable housing" and "district developments".

European Transaction Volume



Institutional Residential Investments EU



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