

Munich, 19. September 2022

Press Release

EXPO REAL Trend Index

Strong show despite subdued expectations in the market

- Online survey among 493 EXPO REAL participants
- Subjects: price increases and inflation, climate protection, affordable housing
- Real estate industry to meet again in Munich at the beginning of October

What will the trade fair participants talk about when EXPO REAL, the international trade fair for property and investment, opens its doors in Munich from 4 to 6 October? An online survey conducted prior to the fair sheds light on current trends in the real estate industry: price increases and inflation, ESG, affordable housing and cooperation with the public sector.

"Considering the current general conditions, the real estate industry is entering the fall with subdued expectations for the real estate market. Just under half of the respondents to the EXPO REAL Trend Index believe that investments in German real estate will decrease, a quarter expect it to remain at the same level at most. The need to discuss the challenges is correspondingly high. The strong participation of about 1,900 exhibitors at EXPO REAL—nearly 60 percent more than last year and coming close to pre-pandemic levels—also proves this," says Stefan Rummel, CEO of Messe München. 493 German trade show participants took part in the online survey, both decision-makers from exhibiting companies and visitors. The survey was conducted in July by the independent market research institute IfaD on behalf of EXPO REAL.

ECB's interest rate policy mainly considered positive

As a result of the upheavals caused by the war in the Ukraine, the real estate industry is primarily concerned with inflation and interest rate policy. When it comes to the most important influencing factors and challenges, climate protection is in third place. Expectations for market development are accordingly subdued: almost half of those surveyed (48 percent) believe that the amounts of money invested in German real estate will decrease, whereas 26 percent each expect them to remain the same or increase. Most respondents gave a positive assessment of the interest rate hikes by the European Central Bank: 61 percent

Silvia Hendricks
PR Manager
Tel. +49 89 94 92 14 83
silvia.hendricks@messe-
muenchen.de

Messe München GmbH
Messegelände
81823 Munich
Germany
messe-muenchen.de



Press Release | 19. September 2022 | 2/2

think that the central bank is thus ending the real estate boom, and 67 percent assume that real estate financing will now become more realistic.

Another major challenge for large parts of the real estate industry are the ESG (environmental, social, governance) requirements, not only for fund products.

Nearly a quarter of respondents are still unclear about this. However, 43 percent consider ESG criteria to be the approach to take.

Impossible without cooperation with the public sector

From affordable housing to climate-resilient cities: the survey reveals that sustainable urban development can only be accomplished if politics and business join forces. In terms of climate protection in cities, the respondents from the real estate industry are primarily focusing on better public infrastructure and generally ecological urban development. 65 percent call for more commitment on the part of the public sector to develop infrastructure in the cities. Half are convinced that private/public partnership models will regain importance. 59 percent would also like to see closer cooperation in housing construction, while 72 percent want to work on simplifying regulations in this field. It is widely recognized that the state cannot address the lack of affordable housing on its own.

High importance of care and residential properties

In the survey, care and residential properties are rated as the types of property with the highest increase in importance (69 and 68 percent respectively). The segments of healthcare (54 percent), logistics (also 54 percent) and mixed-use property (53 percent) take 3rd, 4th and 5th place. Looking at the office segment, two thirds of respondents predict strong growth for the co-working trend in the future as well. In the retail sector, specialty stores enjoy a high level of popularity (69 percent), well ahead of street stores (46 percent), shopping centers (23 percent) or factory outlets (15 percent). In the residential property segment, senior housing (82 percent) and subsidized housing / social housing (80 percent) are at the very top of the rankings. Those investing in residential, office and/or mixed-use properties remain true to their respective investment strategies: 89 percent say they do not plan to shift between the segments. According to the survey, the most coveted locations for residential and office properties are primarily B and C locations in the catchment area of major cities.

More information on EXPO REAL 2022 is available at www.exporeal.net

All results of the survey: <https://exporeal.net/en/press/newsroom/press-releases/>

Press Release | 19. September 2022 | 3/3



EXPO REAL survey on current trends in the real estate industry

About EXPO REAL

EXPO REAL is Europe's largest trade show for property and investment and a central hub for market players from all around the world. Besides focusing on digitalization and associated innovation, the trade fair covers both the different real estate segments—office, retail, hotel, logistics and residential—and the entire life cycle of buildings, ranging from project development and investment to finance, marketing and operation. EXPO REAL 2021 attracted 1,198 exhibitors from 29 countries and 19,200 visitors from 52 countries. The next edition will take place from October 4 to 6, 2022.

About Messe München

Messe München is one of the leading exhibition organizers worldwide with more than 50 of its own trade shows for capital goods, consumer goods and new technologies. Every year, a total of over 50,000 exhibitors and around three million visitors take part in more than 200 events at the exhibition center in Munich, at the ICM – Internationales Congress Center München, the Conference Center Nord and the MOC Veranstaltungszentrum München as well as abroad. Together with its subsidiary companies, Messe München organizes trade shows in China, India, Brazil, South Africa and Turkey. With a network of associated companies in Europe, Asia, Africa and South America as well as around 70 representations abroad for over 100 countries, Messe München has a global presence.