IMPROVED SUSTAINABILITY CAUSES SURGE IN ASSET VALUES FOR EUROPEAN REAL ESTATE ASSET MANAGERS, RESEARCH FINDS

- More than half of Europe's real estate managers have seen property values increase by between 16% and 25%
- More than a third see void periods reduce by between 16% and 25%

London, 22nd November 2022 – The higher pricing power of more sustainable buildings – green premia – has caused an increase in asset values for all 250 commercial real estate management professionals* participating in new research from Deepki, the ESG data intelligence firm.

Of the European commercial real estate asset managers from the UK, Germany, France, Spain and Italy responding to the survey, 58% say property values have increased by between 16% and 25% due to green premia. Over a quarter (29%) say real estate asset values have increased by 11%-15%.

Increasing rental yields

More than half (56%) of real estate professionals responding to the survey have also seen rental yields increase by between 16% and 25% as tenants are willing to pay more for sustainable buildings that reduce their service costs thanks to improved efficiency. More than a quarter (28%) of respondents say rental yields have increased by between 11% and 15% for 'green' buildings.

Property	Percentage of respondents
Offices	30%
Retail	45%
Industrial	64%
Residential	61%
Healthcare	48%
Logistics	33%
Student Housing	14%
Lodging & resorts	4%

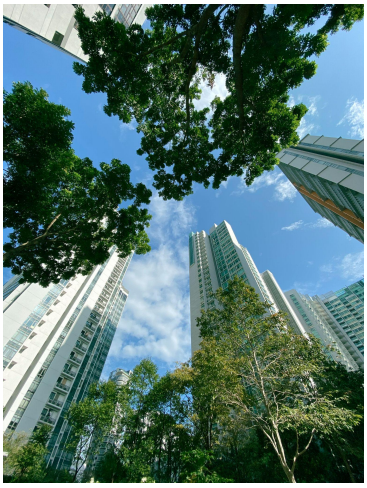
Reduction in void periods

Improving sustainability has also seen void periods fall by 16%-25% for more than a third (36%) for European real estate professionals. A further third say vacancies have decreased by between 11% and 15%.

When it comes to the properties most likely to attract green premia, almost two-thirds (64%) of real estate professionals selected industrial; 61% said residential, while almost half (48%) said healthcare.

Commenting on the research findings, Vincent Bryant, CEO and Co-founder of Deepki, said:

"Improving sustainability across real estate is not just demonstrably positive for the environment, it also improves returns. Commercial real estate managers who are taking steps to understand and enhance their ESG credentials are helping to meet their net zero goals and deliver better performance for investors."



Bryant continued: "Buildings with better sustainability ratings are more likely to be occupied which increases their overall rental income. This is particularly important since the pandemic when landlords are experiencing higher vacancy rates and an increase in turnover of tenants."

Deepki is the only company in the world offering a fully populated ESG data intelligence platform to help commercial real estate investors, owners and managers improve the ESG performance of their real estate assets, and in the process enhance their value.

The SaaS platform enables clients to collect ESG data, get a comprehensive overview of their portfolio's ESG performance, establish investment plans to reach net zero, and assess results. It also allows users to report to key stakeholders. The platform is supported by carbon and ESG experts who partner with clients across data collection and analysis, through to ESG strategy definition and implementation.

Now with over 250 employees, offices in five European capitals and operating in over 41 countries, Deepki has become the global leader in ESG and data intelligence solutions for environmental transition in the commercial real estate sector, with more than 1.3 million assets under management in all asset classes (offices, logistics, healthcare, retail, multi-family, etc.).

For further information about Deepki's end-to-end ESG solutions, visit: www.deepki.com

Notes to editors

Research conducted by Pureprofile with 250 commercial release estate asset management professionals in the UK, France, Germany, Spain and Italy (50 respondents per market) in October 2022. Seventy percent of respondents work for an institution with over £0.5 billion AUM, and 30% for institutions with up to £500,000 AUM.

About Deepki

Founded in 2014, Deepki has developed a SaaS solution that uses data intelligence to guide real estate players in their net zero transition. The solution leverages customer data to improve assets' ESG (Environmental, Social and Governance) performance and maximise asset value. Deepki operates in over 41 countries, with 250 team members across offices in Paris, London, Berlin, Milan and Madrid. The company serves clients including Generali Real Estate, AEW, SwissLife Asset Managers and the French government, helping to make their real estate assets more sustainable at scale.

In March 2022 Deepki raised €150 million in a Series C round of funding which was jointly led by Highland Europe and One Peak Partners. Other investors include Bpifrance, through their Large Venture fund, and Revaia.

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