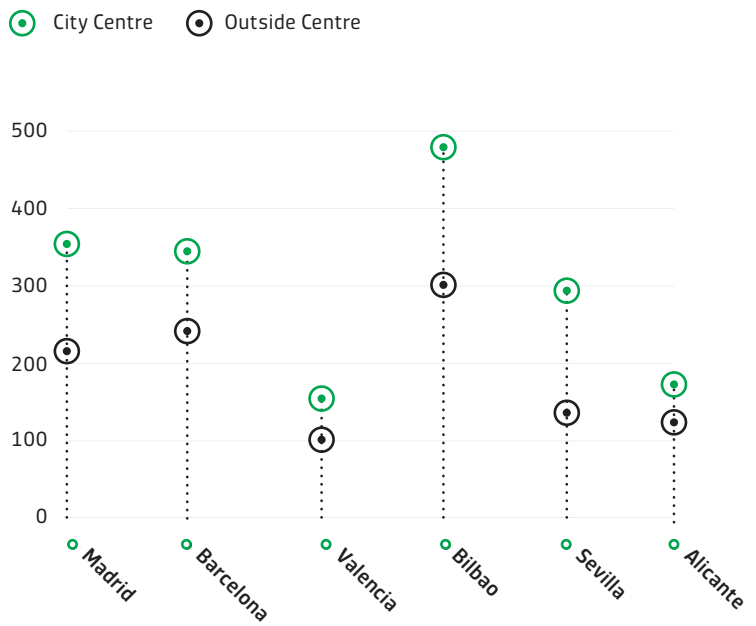


# REAL ESTATE

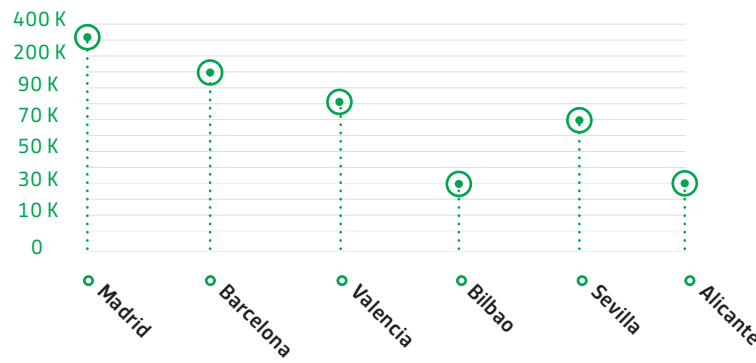
## Spanish Investors

#VISUALIZINGTHECRISIS #IreneChiappini #GiuliaSerafin

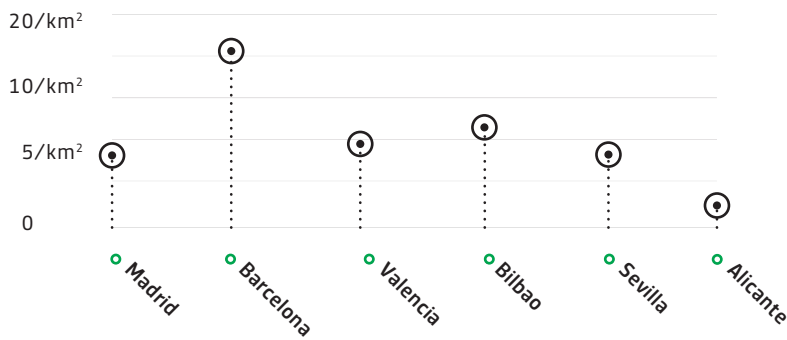
### MAIN CITIES' HOUSE PRICES (€ PER SQ M)



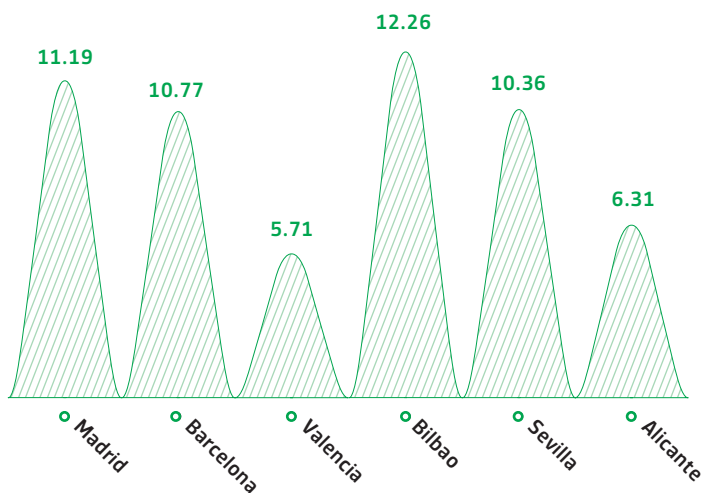
### POPULATION



### DENSITY



### PRICE TO INCOME RATIO (\$)



### EUROPE

Spain

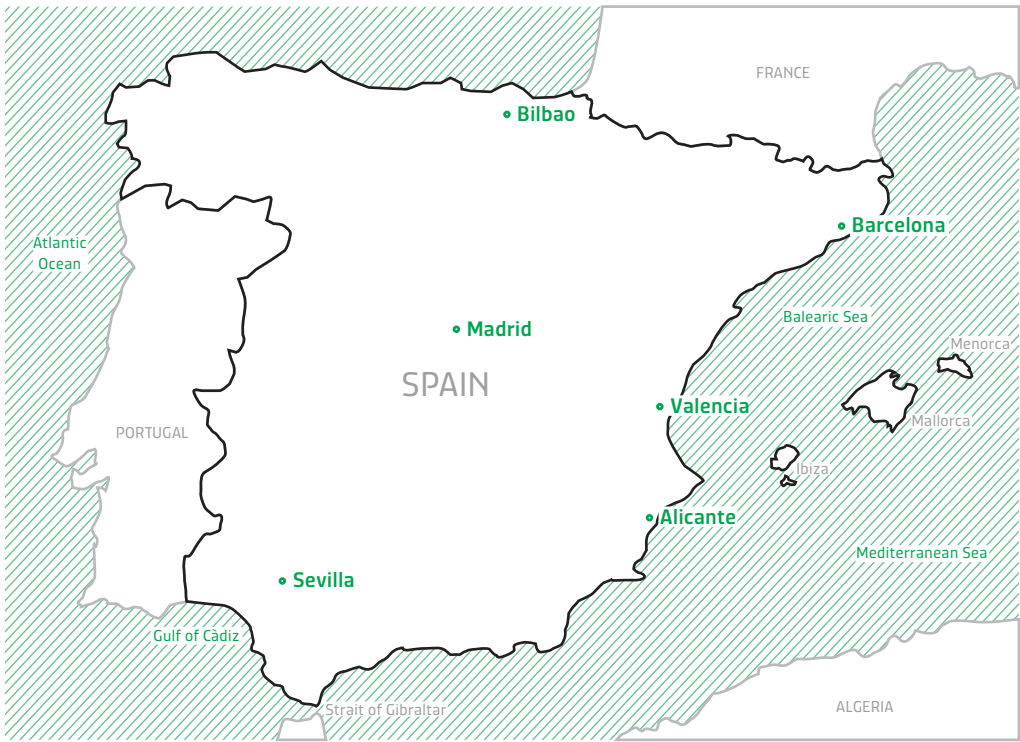
40°26'N 3°42'W  
total area: 505,990 km²  
population: 46,439,864  
capital: Madrid



### BULLETIN 06

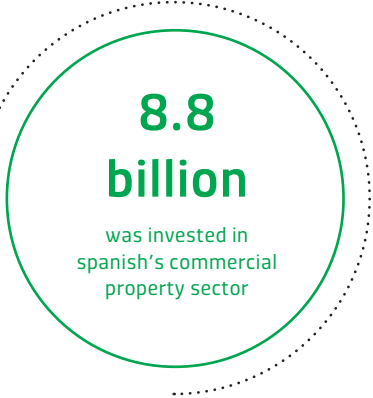
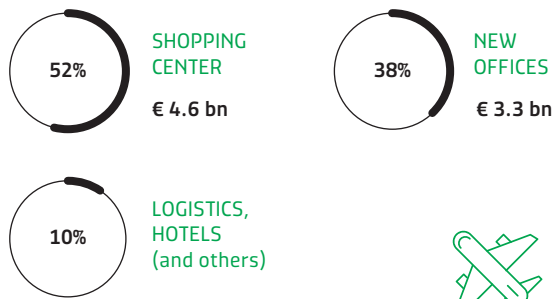
01 04 16 / 07 04 16

sources: World property journal "Spain Enjoys Record Setting Commercial Property Investment in 2015" - Investopedia "Economic Challenges Spain Faces" - Wikipedia - Numbeo



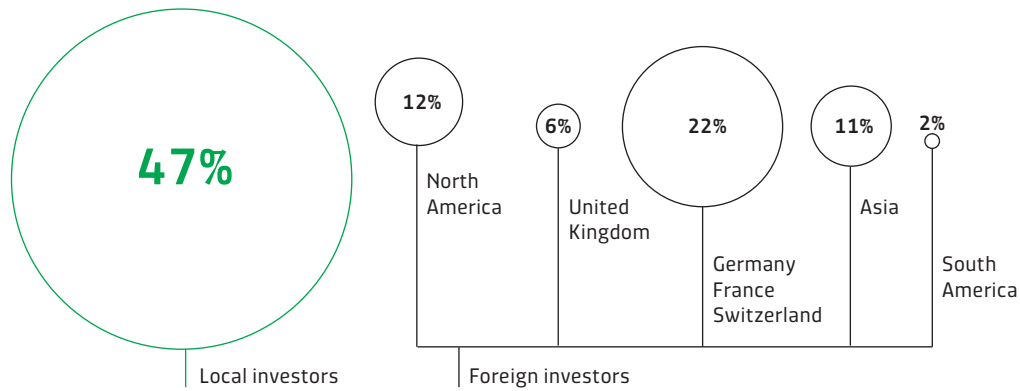
### INVESTMENTS IN SPAIN

In 2015 Spain has increased by 13% real estate investments. The most popular segments for investors are:

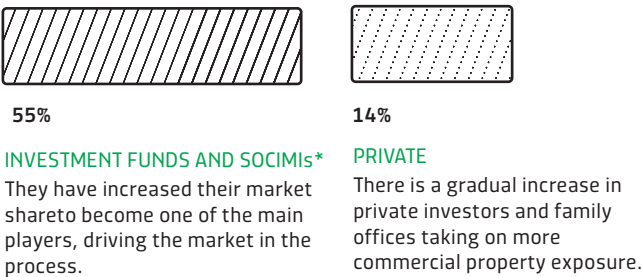


There is a strong recovery of the tourist sector both national and international, that bring a great demand for hotels.

### WHO IS INVESTING?



### INVESTORS' TYPE



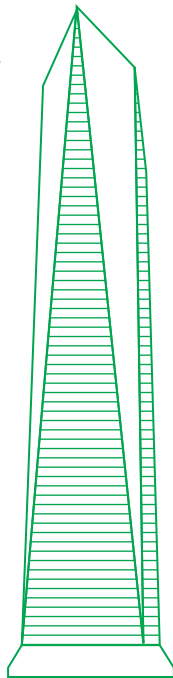
\*SOCIMIs or REIT  
SOCIMI (Sociedades Cotizadas de Inversión en el Mercado Inmobiliario) also known as REIT (Real Estate Investment Trust) is a company that owns, and in most cases operates, income-producing real estate.

OPPORTUNISTIC INVESTORS  
In terms of investor type, they have been gradually disappearing as the market has moved on.

SPAIN'S TALLEST BUILDING

Torre de Cristal Madrid

248 m tall  
45 floors



# REAL ESTATE

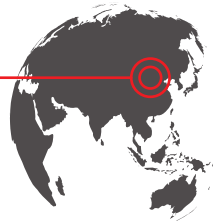
## All You Need Is Home

#VISUALIZINGTHECRISIS#IreneChiappini#GiuliaSerafin

### ASIA

China

39°55'N 116°23'E  
total area: 9,596,961 km²  
population: 1,376,049,000  
capital: Beijing



### BULLETIN 06

01 04 16 / 07 04 16

sources: Forbes "One way that China populates its ghost cities", "How people in China afford their outrageously expensive homes", "What China is doing about its 450 million square meters of unsold housing".

### WHERE PEOPLE LIVE IN CHINA

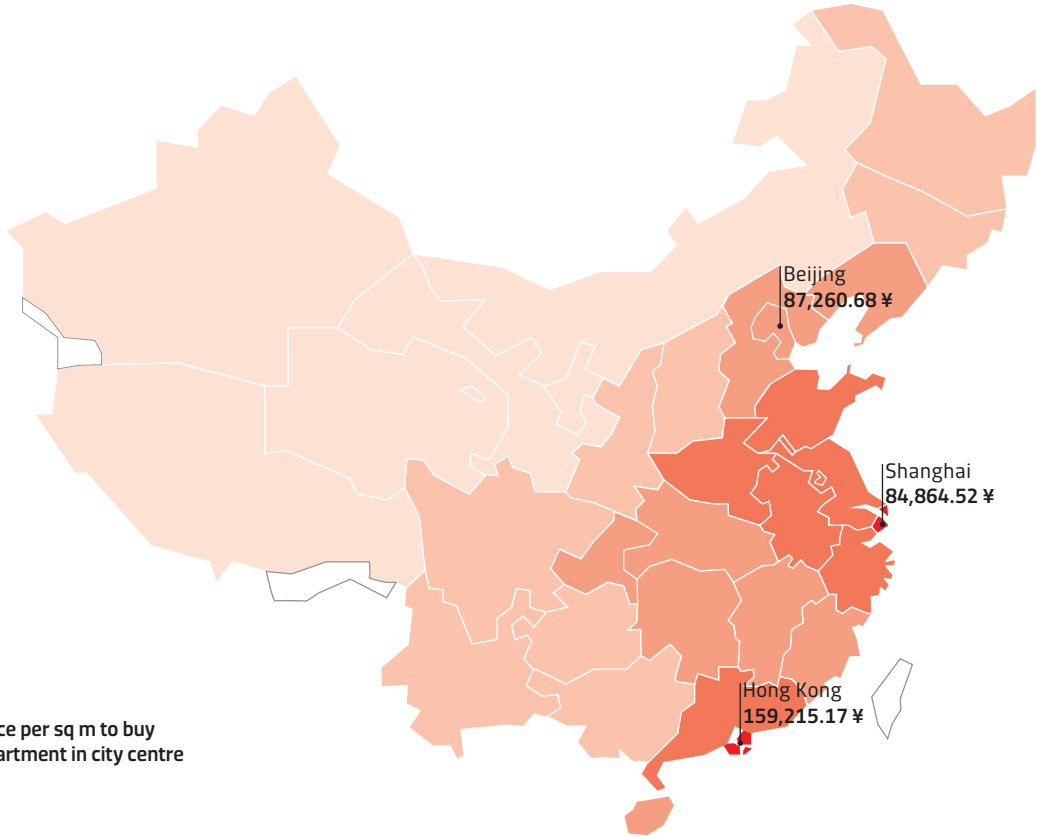
POPULATION DENSITY BY PROVINCE

people per km²



different governance / disputed provinces

price per sq m to buy apartment in city centre



### CHINA'S GHOST CITIES

In the past 20 years China has built hundreds of new cities and districts.

#### NEW ONES

- Caused by the urbanization boom
- Under-populated places
- Mostly unknown places
- In the north of the country
- New industries try to develop

#### PAST ONES

- Now filled up with people
- They become economical engines
- Located near big cities

### BUYING A HOME

WHAT DOES IT MEAN FOR CHINESE PEOPLE?

- It's a real status symbol
- Friends and family financially assist
- Central part of everybody's life project
- Important to land a job
- Necessary for a marriage
- Old parents move into their children's home
- Renting is often misjudged

### EMPTY HOUSES IN CHINA

TWO DIFFERENT KIND OF VACANT HOMES

#### sold properties

##### SHORT TIME VACANT HOUSES

Developpers got paid, government got taxes, investors can resell properties.

#### COMMON HABITS

It's common in China to own more than one house: to store savings, for offspring or an impending marriage.

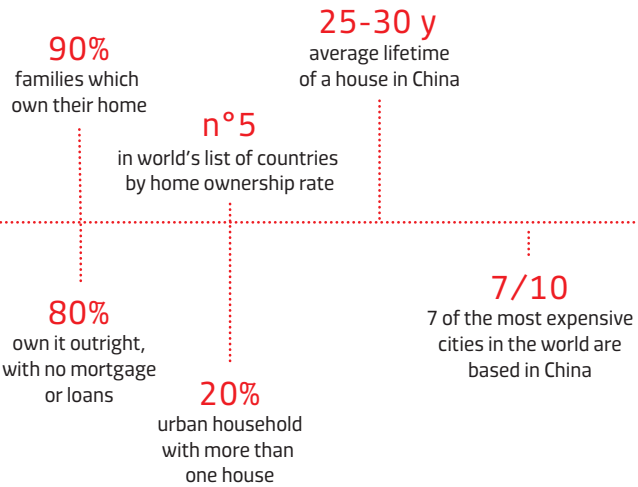
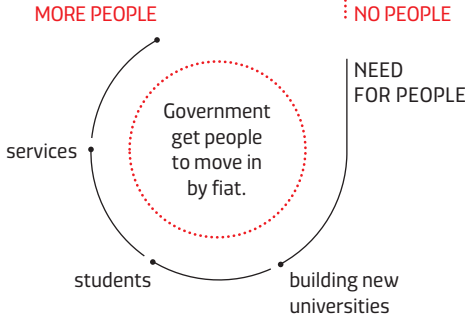
#### unsold properties

##### LONG TIME EMPTY PROPERTIES

Empty residential floor for a long period, loss of value, slowdown.

#### NEW GHOST CITIES

There are 450 square km of unsold residential floor space in China.



### WHAT CHINA WILL DO?

THREE POSSIBLE SOLUTIONS

**TEAR ALL THEM DOWN**  
In order to build instead of them something else more profitable.

**CUT BACK MORE HOUSES**  
In order to apply the simple supply/demand theory.

**SELL TO THE GOVERNMENT\***  
Converting them into public rental housing.

**\* Contrived economy**  
Many banks and companies are run by the Communist Party of China: it means more attention to the long term profits and a different meaning for debt.

### REAL ESTATE TIMELINE

Looking back to understand the housing boom:  
20 years ago China's real estate market almost didn't exist.

