Student Houses emerge as the most attractive asset for investors within the alternatives segment

Alternative assets manage to keep the attention of Real Estate capital in Spain, with nearly 100 million raised in the second quarter of 2023

The District 2023 will host international experts from CBRE, King Street, PineBridge Benson Elliot, and Renta Corporación, who will reveal the opportunities of alternative and new emerging assets, such as ‘glampings’

Barcelona, August 09th, 2023 - Alternative assets are still at the forefront of investment. The high demand and the shortage of supply of student and senior residences, or data centers, has boosted Real Estate capital's commitment to this segment. In this regard, market studies for this second quarter of 2023 reveal that ‘alternative assets’ have positioned themselves in the ‘top 6’ of investment activity, gathering almost 100 million euros, nearly 17% more compared to the first three months of last year.

Breaking down the figures, the properties that have raised the most capital have been student houses, although investors have also focused their attention on schools, a novelty with respect to 2022. The rest of the movements within the segment have focused on data centers and residences for the elderly, two assets valued for the potential they offer and the economic dynamization of the industries to which they belong to. In terms of profitability, student and senior housing are the assets that are leading the returns and are considered prime assets by core investors.

Although the records support a significant size of operations, experts point out that by the end of 2023 there will be an increase in transactions, which will move higher investment volumes. Furthermore, there are currently projects in the negotiation phase with an expected closing date in the upcoming months. Therefore, alternative assets may increase their capacity to raise capital in the second half of the year.

In order for international Real Estate companies to present their portfolios and for leading investors to determine which assets to invest in, The District 2023 will analyze the status and projections of alternative assets. From September 20th to 22nd at Fira Barcelona Gran Via, the summit will bring together more than 380 international experts, who will dig into the possibilities of senior living, student housing, science parks, healthcare and data centers, among others.

Public-private development

In order to boost the creation of land within the framework of alternative assets, the sector is increasingly demanding more collaboration with institutions. For this reason, the summit will focus on the role of collaborative work to develop operations that generate a return for administrations and investors. Marta Cladera de Codina, Managing Director & Head of Spain at Neueven, and Patricio Palomar, Alternative Investments & Offices Advisory Director at CBRE, will address this issue in the field of student housing, at a time influenced by over-demand on a European scale. Working with public bodies is also an issue that will be raised for science and health parks, in order to encourage stock, while the impact of technological advances and
changing demographic trends on the future of these properties will be analyzed as a viable investment opportunity.

Carlos Ortega, Investment Professional at King Street Capital Management; Gregg Gilbert, Managing Director at PineBridge Benson Elliot; and Max Hernandez, Director Investment & Asset Management at Renta Corporacion, will address The District on the present and future of senior living. They will explore ways in which Real Estate investors, developers and operators can create sustainable and innovative communities that meet the changing needs of aging populations.

Data center market in Europe on the rise

The impact of exponential technologies, such as Artificial Intelligence, Blockchain or data analytics, is causing the level of information to be managed to increase dramatically. As a consequence, the demand for spaces for the construction or enabling of 'data centers' around the world is experiencing a remarkable growth.

A clear result of the stimulation is in the volume of projects, which have increased in parallel. According to CBRE data, the number of data centers will increase in 2023 in Germany, the UK, the Netherlands - several technology companies are based there - and France, and supply is expected to continue on a growth path, increasing sevenfold by 2024. Spain, although to a lesser extent, is closely following its European neighbors with the aim of establishing 49 centers in Madrid and Barcelona alone in the coming months, according to data from Colliers. The District will have specialists who will study the economic capacities of data centers, without neglecting the climate challenge they pose in terms of energy and water consumption.

Emerging assets gain strength

In addition to alternative assets, there are other assets that are attractive to different Real Estate capital players, known as emerging assets. An example would be the glampings, new ways of accommodation that turn traditional campsites into places with services similar to high-end hotel establishments. A trend that will be analyzed at the international event from a legal perspective, but also from a sociological view to study how to boost the return on investment in this modality.

Likewise, The District will also include another emerging asset that, given the challenges of sustainability and food prices, is becoming increasingly important in the economy: agricultural land. The value of olive oil, wine, almonds, lemons and peaches has led agribusiness to focus on the production of these products.

To this end, the summit will discuss trends in the development of crop plots and will analyze government regulations, land risks and yields, and the impact on emissions that may result from the construction of platforms or properties or their management.

About THE DISTRICT: is an event organized by NEBEXT, a company specialized in professional events focused on innovation and technology transfer such as Digital Enterprise Show, REBUILD, Pick&Pack, Food 4 Future – Expo FoodTech, Tourism Innovation Summit or Advanced Factories. THE DISTRICT has a Hospitality area and a congress program in 5 auditoriums - The District World Summit 2023 - the largest European congress on innovation in the real estate industry. It is the main meeting forum where investors and sources of capital from the Real Estate sector who are looking for opportunities, new real estate projects that drive urban transformation, with the aim of designing the future of the Real Estate sector in Europe.