

# Covid-19 – Implications for the real estate industry in Europe and worldwide

General sentiment, expectations and counter measures of market participants

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## Information about the survey

The study was conducted online between 15<sup>th</sup> and 17<sup>th</sup> of March 2020. A total of 82 participants from different countries and various sectors of the real estate industry completed the flash survey.

The regional coverage of the participant group was as follows: Central and Northern Europe 43%; Eastern and Southern Europe 20%; UK 17%; Asia Pacific 11% and Other 9%.

## Executive Summary

**74 %** ... of survey participants expect a **negative** or **strongly negative** impact on the real estate industry.

**74 %** ... of survey participants **fear a decrease in revenue** for their company in the current year.

**66 %** ... of survey participants consider a **delay of transactions** to be very likely.

**41 %** ... of survey participants assume that there will be a **reduction in personnel** in their company.

**71 %** ... of survey participants already make use of **home office** arrangements.

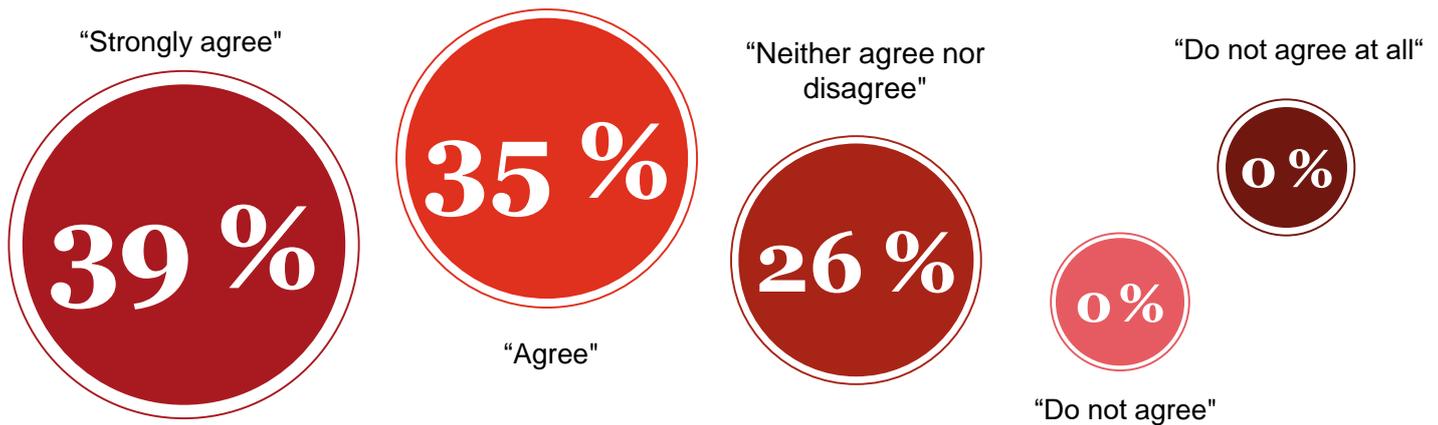
**50 %** ... of survey participants have **developed a strategy** in their companies **to deal with bottlenecks**, failures of external suppliers or service providers.



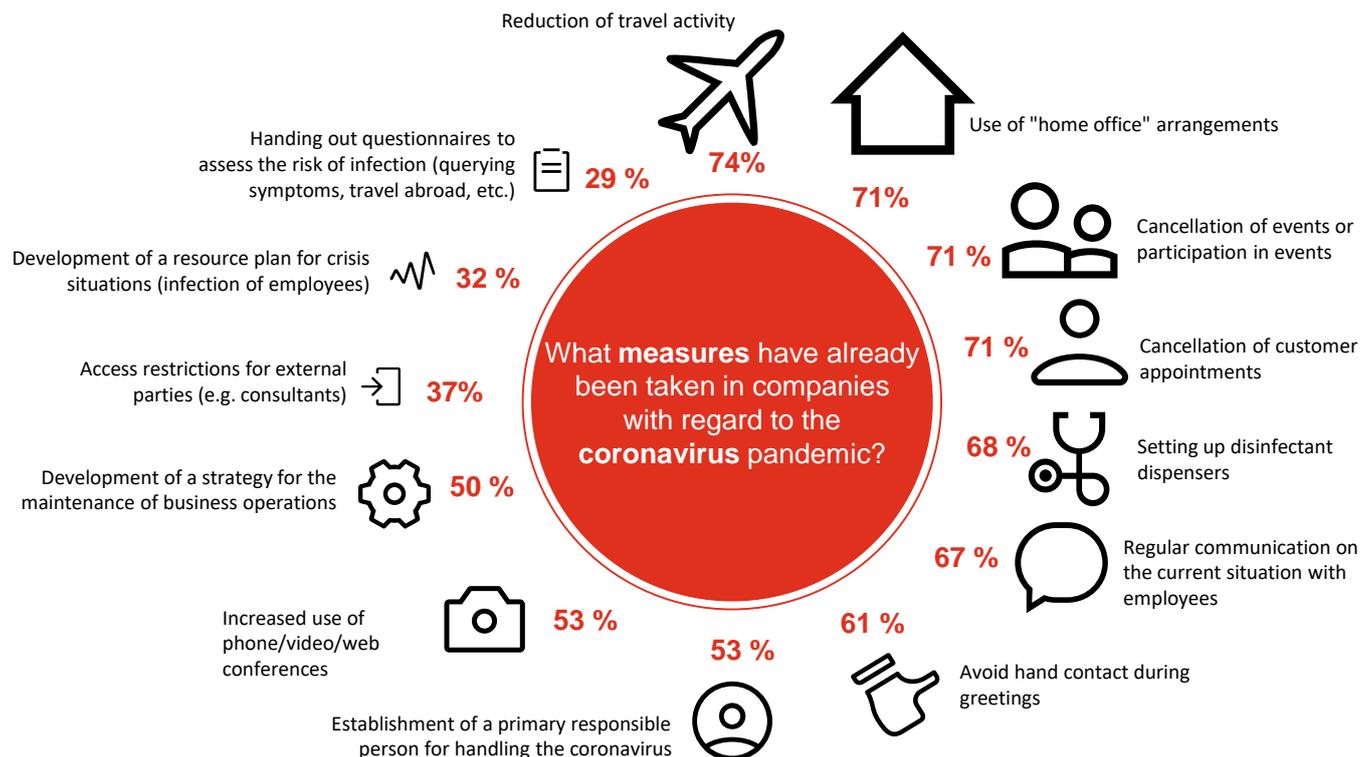
# Initial measures have been implemented – mostly negative consequences expected – strategic approach still pending

There is a general assumption that the pandemic will have a negative impact on the real estate industry. A majority of 74% assumes negative effects while 24% are not sure about the consequences.

"The coronavirus outbreak will have a major negative impact on the real estate industry."

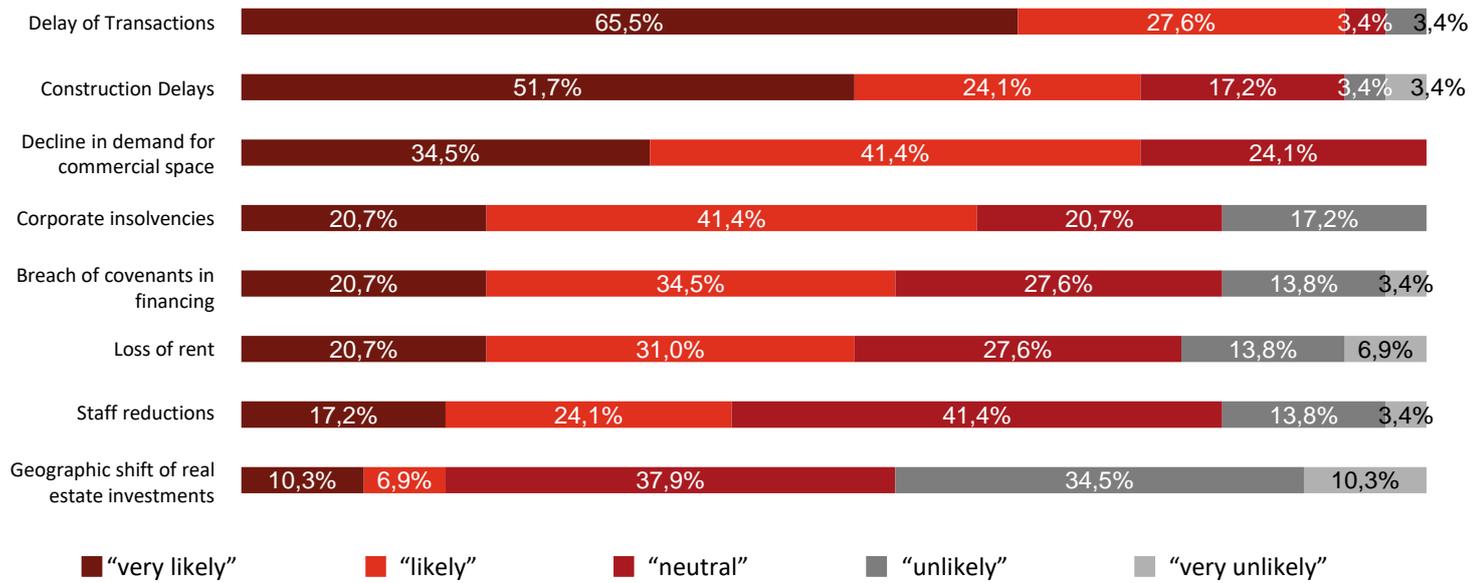


The vast majority of real estate companies have already implemented pragmatic measures to reduce the risk of infection: Home office regulations, a reduction in travel and the cancellation of events are top priority. However, an indepth strategic discussion has not yet taken place.



**Respondents consider construction delays and delay of transactions to be the most likely effects for the real estate industry. On the opposite, a majority considers a geographical shift of investments or even a reduction in personnel to be unlikely.**

How likely do you consider the following possible effects of the coronavirus pandemic on the real estate industry?



**Almost half of the respondents expect a decrease in revenue by more than 15% in the current year; only 10% assume that the pandemic will not affect their company’s revenue.**

In your opinion, is your company likely to lose revenue due to the coronavirus pandemic?

