



Minutes from MIPIM 2013 Conferences

Spring 2013

*By our Academic Partner
ESSEC Real Estate and Sustainable
Development Chair*

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*Real Estate and
Sustainable Development Chair*

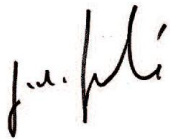
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Looking forward to welcoming you to the 2014 MIPIM Innovation Forum,

Best wishes,



Jean-Marc ANDRE

Project Director MIPIM Innovation Forum & Content Marketing Director MIPIM





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Located in the Gare Martime, the new **MIPIM Innovation Forum** was a key meeting place for all players involved in building tomorrow's cities to debate and share ideas. An exclusive programme put buildings and users at the heart of this industry conversation in order to highlight innovative solutions to maximise the value of property portfolios.

MIPIM Innovation Forum will be back in 2014!



*Real Estate and
Sustainable Development Chair*

Created in January 2003, and sponsored since 2012 by Poste Immo, Foncière des Régions and Form'a, the purpose of the Real Estate and Sustainable Development Chair is to support both teaching and research in economy, financing and management of the real estate industry by taking into account the sustainable development stakes.

ESSEC is today the top business school in France and one of the first in Europe to have created a knowledge cluster in real estate.

The Chair's admittance is limited to students of the ESSEC Grande École, whether they're admitted upon title or upon examination. The Chair trains future specialists and managers in the areas of real estate management, economy and financing, to be directly operational in constantly evolving professions.

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CONFERENCE REPORT I: ENERGY & CITIES

I. KEYNOTE PANEL: ENERGY EFFICIENCY & RESOURCES' MANAGEMENT



SPEAKERS

Arab Hoballah, Chief Sustainable Consumption and Production, UNEP, United Nations Environment Programme

Gaetan Siew, CEO, Global Creative Leadership Institute

1. THE SITUATION TODAY

- No longer is global warming something facing only future generations: today we have not only political or war refugees, but climate refugees (2011: Thailand floods: 34€bn spent, 1000s of lives, China droughts etc.)
- While Europe and the US are losing their advance in innovation, China is forming the world largest solar and wind power market. The country is less subject to corporate lobbies. Asia: heavy R&D investment – 2012: 386b€ - 36% world
- We don't perceive who is in charge: finance, media power, governments, civil society...?
- We are addicted to growth, the issue (which is a human issue) is no longer when but how we will act.
- We must accept to put an end to the growth.

"The era of procrastination, of half measures, of soothing and baffling expedience of delays, is coming to its close. In its place we are entering a period of consequences. We cannot avoid this period, we are in it now..."

Winston Churchill

2. WHY BUILDINGS AND CITY SHOULD BE AT THE HEART OF ENVIRONMENTAL POLICIES

■ Buildings

- Buildings are absent of the Kyoto Protocol whereas it is a major element on which we could cut energy consumption as it represents: **1/3 of global GHG emissions, 40% of energy use, 40% of waste generated by volume, 25% of global water usage, 40% of global resources etc.**
- The building sector also represents **10% of the global GDP** – higher in some developing countries; it employs more than 111 million people, with nearly **\$100 trillion spent each year**.

■ Cities : They represent:

- **3% of land surface**
- **50% of global waste**

- **60%** of global GHG emissions
- **50%** of the world's population 80% in 2050
- **75%** of natural resources consumed
- But they are also an area hub for education/culture, innovation/investments, partnerships

There is no solution without cities and at city level.

We must consider cities as a business case: return on investment in terms of energy, water efficiency...

3. MAIN ISSUES

- **It is difficult to implement a coherent and globalized action as the chain of people involved in Real Estate is long and fragmented**
- **Do we have the adequate structure, whether it is in terms of management etc. to supervise this sector?**
- **The challenge we face today in the global environment: Cities are competing against each other**

4. WHAT ARE THE DRIVERS OF CHANGE?

The importance of a holistic approach for resource efficient cities:

- **Objective:** to enhance the quality of life in urban areas, in particular in rapidly growing cities in developing countries, while minimizing resource extraction, energy consumption and waste generation, and while safeguarding ecosystem services.
- **What we need:**
 - A common understanding on what a sustainable building is
 - Involving each actor within the decision-making chain: local authorities, owners/developers, regulators, designers, contractors, product providers, material extractors
 - Raising citizens' awareness
 - We need a global emergency response and a new economic model: less consumerism, alleviating poverty, new energy system.
 - We need to move to be able to seize the opportunity, the market is large: example Kodak didn't move quickly enough and lost its supremacy.
- **By what means?** Platform for consultation and for sharing best practices among city managers/urban planners. We have to improve existing platforms of discussion in order to:
 - Provide access to information for decision makers in various fields related to resource efficiency and sustainable and production.
 - Enable framework: offer national and city decision makers access to technical expertise in areas such as Sustainable Cities Programme in cities
 - Provide a mechanism for decision makers to exchange experiences, share best practices, and establish a peer-review process across cities for further improving access to resources
 - Develop common metrics for sustainable cities (eg for GHG emissions, city environmental performance)
- **Who are the agents of change?** Private sector: we have to work with the government to develop policies that make a difference with medium/long-term return

Educate people, decision-makers and supply chain

5. CONCLUSIONS

- We need voluntary initiatives but also and more incentives
- We have to think outside the box.
- Human factors have to be the drivers of changing in our economy
- Key words : Resilience, Adaptability, Innovation, Compassion

II. DECALOGUE FOR A SENSEABLE / SMART CITY

SPEAKER

Carlo Ratti, Director, MIT Senseable City Lab and founder



- “SENSEable city” stands for a city driven by a human perspective, as opposed to a “smart city” which refers to the coldness of a city tackled as a mere computer. Furthermore, if ‘smart’ is today considered as the new ‘green’ (smart city, smart transport, smart buildings), this label is now often used and abused.
- In 1990, virtual came into our lives and in 1995; Gilder anticipated that cities would disappear because of personal computing. No prediction could have been more wrong – take China for instance, that is planning to build even more cities.
- Even though a very large part of the population is already fitted with cell phones, the connectivity is still expected to increase dramatically within the next few years. Indeed, everything will be connected: people to people, people to machines and machines to machines.
- The disruptive effect of technology has two different impacts on Real Estate. For one, technology transforms design as we know it and this new designed interface will then change people’s habits. The second one is more human-focused: technology is slipping into our lives and creates new needs which will have an impact on design.
- In 2009, a Barcelona project implemented a fluid dynamic space and proved that technology is a key component to come up with fresh ideas to design new objects and buildings. Living water walls were devised with a pipe controlled by a computer. No doors and windows were necessary since the water wall opened as soon as someone was approaching.
- Another project involving technology about to cast a new light on dimension is the 3D cloud made with light pixels controlled in synchrony. In the same idea, IBM’s project to transform every surface into a projection surface.
- Designing interfaces where information can be shared, at the bus stop among transport users or in the kitchen, is also a new trend coming soon into the mass market.
- How has technology been changing people? MIT, the first campus to be covered by Wifi, had experienced a dramatic change in its student body’s working habits: they were no longer working in computer rooms but in the cafeteria, the coffee shops, on the lawn, almost anywhere... Indeed, far from Le Corbusier ideas (dividing all life activities in different spaces), things are overlapped today, calling for the need to change the way spaces are designed in order to fit the new behaviours.
- Generali decided to create a map of the employees’ positions in the day to understand how the workspace can change and how it can be monitored better.
- SENSEable city is about the human component of it: how technology brings about more freedom.



CONFERENCE REPORT III: ARCHITECTURE

I. KEYNOTE PANEL CAN SKYSCRAPERS BE SUSTAINABLE?



SPEAKERS

Prof. Winy Maas, Director, Architect MVRDV

Emin Iskenderov, CEO, Hermitage SAS

Ma Yansong, Founder, MAD Architects

David Sheldon, Vice President, Regional Director, The Jerde Partnership

- In the property industry, building is always referred to as an opaque and hermetic object. You reach the dead end and go back to the floor where you come from. Forget the knowledge about the horizontal level and look at a building through an innovative spectrum. Time has come for porosity.
- The natural human level is the horizontal one, we move from one place to another by traveling across a city. How can we socially adapt to verticality in our everyday lives? Verticality is one of the keys to density but how long will it take to consider living upwards? When will there be parks and public places on high levels?
- Will the answer be found in China where skyscrapers are rising every day? Ma Yansong, well known founder of MAD architects, answers negatively. The Chinese government would not allow it: a building is a monument built for the image of power not for end users. The efficiency run kills innovation and stops any emotional contact. Innovative construction would be to consider the human factor first, but is there an audience for this message among investors?
- One cannot talk about skyscrapers without first mentioning flat urbanism. Consider a city like Jakarta which is the flattest city on the planet and yet one of the most dense of all. Its model is that of a juxtaposition of villages in which social life is highly developed. Why not use this idea upwards and imagine a tower made of various blocks, fragmented offices to create a vertical village through which citizens could walk by and air circulate? The PorousCity is born, open up your tower!
- Density is not only a way to make cities more lively it can also be an answer to sustainability. The only condition is to be cost efficient for everyone. As new green technologies are very expensive to implement, small 10,000 square meters buildings are no longer relevant according to Emin Iskenderov, CEO of Hermitage SAS. One must not go for cheap when building a skyscraper; the technical complexity requires important funds and long term vision. Sustainability is not about today's consumption but about tomorrow's. An efficient new building which will have to be torn down 10 or 15 years from now loses all its sustainable logic.
- The Why Factory is a think tank working on the creation of new cities using Legos and calculation software. They design any possible combination of skyscrapers from the plain tower to the most open one pushing further physics' limits. The key to a successful tower is the message it conveys.



II. KEYNOTE ADDRESS BY ARCHITECTS: ARCHITECTURE AND RESPONSIBLE INNOVATION

SPEAKERS

Caroline Barat, Architect, Agence Search

Philippe Chiambaretta, Architect, Philippe Chiambaretta / PCA

Kengo Kuma, Architect, Kengo Kuma and Associates

Jürgen Mayer H., Principal, J.Mayer H. Architects

Ihsan Murat Tabanlıoğlu, Founding Partner / Architect, Tabanlıoğlu Architects



- Architecture is about innovation in products as well as in processes of design and of construction. Every architect has its own definition of innovation. For some innovation is strongly linked with competition: the desire to do better than the others by pushing the border of quality.
- For others it is about sculpture and atmosphere before materials, being innovative has no purpose if you are unable to communicate it to the public, the media and end-users.
- Innovation is on everybody's lips as a buzz word for living or dying. It is commonly linked to speed and hybridation. Architects tend to keep innovative thinking to themselves as they are the "geniuses" no one can question. They should collect different input and consider a more open co-creative process.
- Architects are in the middle of value creation and on the top of the value chain as they have relationships with clients as well as with the research and design teams. They have the capacity to communicate and should be leaders in promoting innovation.
- Architecture is a mix between art and science, but without the economic push to go faster than the other like in engineering. They can take the time to think ahead of peoples' behavior and way of life.
- However architects are limited by law and technical constraints. The isolation regulation for instance, developed by engineers and enforced by the law, requires walls to get thicker and thicker with great impact on architecture. Innovation and rules come from the engineers and architects must develop dialogue in order to influence the industry.
- Technical innovation has also developed in the day-to-day work of an architect. 3D process and digital techniques are very well integrated but none forgets the importance of traditional models. Keeping low-tech and manual contact with the work is what gives magic and feeling to a project. There is an experience in the model that does not exist in 3D.
- Nowadays the challenge of innovation is no longer in new buildings; refurbishment has become a key notion. In Germany for example, many buildings have been built in the 60s and the 70s and it would be far cheaper to tear them down but they must be seen as a part of history, the German people have the moral obligation to refurbish.
- The challenge is the same in suburbs where there is social unrest, creating new cities and forgetting about old ones is not a solution. Enjoying one's neighborhood is one of the architects' powers.

CONFERENCE REPORT IV: SUSTAINABILITY & INNOVATION PAYBACK

I. THE FUTURE OF CRE: TRENDS TO SET TO REVOLUTIONIZE OUR INDUSTRY



SPEAKERS

Dr. Marie Puybaraud, Director Global WorkPlace, Innovation, Johnson Controls, representing CoreNet Global

Earle Arney, Global Board Director and European Executive Chairman, Woods Bagot

Ben Munn, Joint Global Head of Workplace Strategies, CBRE

Damien Sanouillet, Director of Business Development, Jones Lang LaSalle

1°) The most provocative trends which have come up in the latest publication of Corenet

Location Strategy: There will be a re-emergence of manufacturing in developed countries and regions such as the U.S. and Western Europe with smaller regional facilities, and South America and Africa will be the new hotspots for business process outsourcing (BPO) and manufacturing activity.

Sustainability: Buildings, sometimes connected by micro grids, will be both consumers and producers of energy. Evolution in energy storage will impact building operations, transportation and planning.

Partnering with Key Support Functions: Formation of a “Super Nucleus,” the combination of a corporate entity including components such as CRE, IT, Finance, Purchasing, Legal, etc., in a company-specific context. High-performance companies will know how to bring these functions together on a day-to-day and strategic basis. This function will not be “one-size-fits-all” and will vary depending on a company’s organizational structure, culture and industry sector.

Workplace: CRE executives will evolve to “Experience Managers,” or plan administrators, offering employees an à-la-carte workplace experience with a menu of services, location and support.

Technology Tools: Intuitive environmental sensing provides emotional intelligence cues leading to reduced stress and increasing the efficiency and effectiveness of space use and communication in the workforce (using technology to sense temperature, lighting, sound and other measurables in a room or facility – and to gauge the emotional state of its occupants).

Enterprise Leadership: Senior corporate real estate leaders will be able to measure the impact of workplace infrastructure on business units and the enterprise – a capability often referred to as the “Holy Grail” of the industry.

Portfolio Optimisation: Organisations will recognize the potential detrimental impact of cost cutting on productivity, changing the conversation from cost containment to value creation.

Service Delivery and Outsourcing: Real Estate business objectives and goals will become more integrated with Procurement and, therefore, more sophisticated and complex.

2°) The old models need changing: they are unsustainable

What does the new model look like:

1 - Enabler: maximizing engagement:

- More connected, less private.
- 1 in 5 organizations intend to introduce or increase their levels of desk sharing.
- It is imposed by today's decision process: more numerous and complex networks.

2 - Efficient: getting more

- Buildings are going to be taller, thinner, and greener in order to increase carrying
- Buildings have to be adapted to a firm activity. The capacity of a building can be leveraged just by looking at how people work.

3 – Effective leverage talent: Real estate must be a means to attract new talent

Real Estate can create a culture that removes boundaries, empowers employees and celebrates collaboration and interaction to deliver sustainable high performance and unmatched employee satisfaction.

II. SHOULD MEASURING SUSTAINABILITY BE A JOB FOR THE ACCOUNTANTS? INDUSTRY



SPEAKERS

Liz Peace, Chief Executive, British Property Federation

Olivier Elamine, CEO, alstria office REIT-AG

Sander Paul van Tongeren, Senior Sustainability Specialist Global Real Estate and Infrastructure, APG Asset Management

Jon Lovell, Director - Sustainability, Deloitte Real Estate

Underlying questions:

- How can we measure and assess sustainability?
- How good are we at measuring sustainability?
- Are we doing it honestly and accurately?
- Do we need a more standardised approach? What degree of uniformity and conformity?
- Is there a role for the political process?

1. CFOs' view of sustainability

- 49% of CFOs see sustainability as a **key driver** of financial performance.
- At the same time, sustainability accountability decreased for CEOs from 56% in 2011 to 44% in 2012. As a result, CFOs have become increasingly focused on a number of sustainable operating practices, including **tax** and **financial reporting** and **investments in technology** that will further reduce the footprint of company travel and energy use.

2. The role of non-financial reporting

To tell investors how sustainability management benefits the whole organisation.

What should non-financial reporting tell us: they are an opportunity to develop a narrative and business relevant data that places sustainability and non-financial performance at the heart of investor relations strategy addressing:

- Clarity on which sustainability issues are most material to the fund/portfolio.
- A clear identification of risks and opportunities.
- Information on the impact of sustainability issues on the direction of the fund.
- How management of sustainability issues benefits the fund in terms of risk profile, investment return expectations, competitiveness, market appeal, etc.

3. The difficulty of choosing relevant indicators

- Is it better to measure absolute figures or do we need to measure intensity (energy consumption/sqm)?

- Currently we use environmental indicators such as energy, water, waste. In the near future they will be replaced by: occupational health safety and productivity, training education, development, employee and tenant satisfaction.
- Those last indicators have a big impact on financial efficiency. Undeniably, the fact that your employees or your tenants are really satisfied is at least as important as the ones currently used.

4. The honesty/accuracy of the measurement:

- There are quite a lot of initiatives in place and this trend is growing (GRESB, CDP...) but the level of assurance is low (data & verification check).
- What we need in the near future: more mandatory ratings, labels, certifications and high assurance levels: internally or externally verified, externally assured, externally audited.

5. Lesson learnt from studies at EPRA

There is no common view on what is and what is not sustainable. There is no common view on what needs and what does not need to be covered by sustainability reporting. As sustainability is mainly related to operational processes, it will be extremely hard to standardise it, as it is an intangible item.

6. Consistency over time

- What matters is not the absolute value you report, but you need to have a company who reports with consistency over time in order to see its evolution.
- Financial reporting should be the least of our concerns

7. Sustainability is about changing the way we operate and do business.

- Focusing sustainability on reporting issues means reporting for the sake of reporting.
- A good looking complete report does not necessarily mean a good sustainable underlying business. However, a good sustainable business will always translate into a good report.

8. The focus should be on how companies operate.

- For example, the report of British Petroleum was elected as the 2nd best sustainability report worldwide 2 months before their accident.
- We must be sure that the mentality of people changes, then the quality of the number will improve naturally over time. It is the same for green leases: no need of legislation it must be a voluntary move.
- A successful measurement of sustainability should be: relevant, transparent and consistent

9. One should keep in mind that:

- Information enables informed and sound sustainability decisions.
- Resource management is a key to performance and risk minimisation.
- Firms must not be afraid to transform. Employees are ready.

III. DOES BEING GREEN CREATE VALUE FOR END-USERS



SPEAKERS

Magali Saint-Donat, Chef de Département, EDF - Direction Immobilier Groupe

Peter Garré, Managing Director, Bopro NV

Frank Privé, Head of Property/Real Estate Department, L'Oréal

Martin Townsend, Director of BREEAM, BRE Global Ltd

- **Franck-Privé:** The purpose of the real Estate department of L'Oréal is to support the strategy of L'Oréal - universalism of beauty – we manage buildings in 70 countries, 33% are offices. The motto of Jean-Paul Agon is that green value is one of the values of the company. Our business is the beauty, thus our environment has to be beautiful. When we set up a new building we try to make sure that the surrounding community is respected.
- **Peter Garré:** Green value is asked from the tenant. We have to implement a good relation with occupiers because today there is no discussion. It is very difficult to have data about a building. Processes are too hard to have the data. The new performance of a building is not only the performance of existing stock building; the occupiers increase their performances in green building. So occupiers' performance is not enough taking in consideration. The operational income and the yield give the value, so we need to invest in energy efficacy but that demands that the property pays for the benefit of the tenant. Unibail-Rodamco made great strides in work surrounding these issues, and show us the way.
- The language we need to use is a language with a great level of transparency between people which participate in the discussion. We need to demonstrate what good performance is. The real value is not only the environmental value, but also the value and economic performance of the place.
- The question that the property has to ask to itself is: how do you help your customer to be green? Green value it is: how do you bring value to your client? When you see what's important for your clients, you start a real discussion, much more important than waste or energy savings... Only 10% of companies of construction are now in the game, but big opportunities appear. You have to be authentic in the discussion in order to know what is important for your tenant and after find the data.
- How to improve indoor environmental life quality? In 2006 we had a new project of laboratories in the South of Paris (L'Oreal) and we went to a certification HQE. We aim internal standards in order to have the available certification, which is different in each country. Many are LEED certification, so we go directly to these standards. We wonder how to implement this policy in the building itself, but we decentralise the facility.
- At the beginning of the process we have to share internally. Employees and the stakeholders are very concerned by these issues, which are essentially technical issues. Sharing best practices with peers is a key point of green value creation. Now we have to split up the time to compete and the time to collaborate. We witness a shift from product provider to a service provider.

- Peter Garré: Beyond these considerations the most important thing in this job is passion and authenticity. It is boring to be here only to earn money. You have to ask yourself, where is my real passion? Think about it. I am passionate to leave a better life after me, I have 5 children I want to be proud of the world I left, and green value will come up. We started the process of green value creation in 2007, people left other came and productivity increases in 20%. Now we are in the city centre, the change is not only by the building, we start to be authentic.
- About green leases in France in L'Oréal buildings we rent, only ten sites are concerned. We start to prepare an appendix to the lease. We organise the transparency, we exchange data, we implement the metrics. The responsibility of the landlord is to set up achievable objectives, not to accept lease prices increase. We make sure that we will not change strong internal standards; our objective is to maintain the building in an effective way.
- Internal drivers now take a great importance. The company wants to be green to improve its competitiveness. As we witness a higher productivity thanks to green buildings, what you will do with this gain? The importance is the transparency in order to share the value created, the difficulty is to measure but there are evidences of this value creation.
- In the certification sector the competition is a good thing, there are numerous certifications and that's important. We create tools to inspire people to the change. We shift to a design tool, available scenario.
- To conclude we observe that green value is not only an environmental value but also a complex value based on several issues.

IV. VIEWS OF 6 STAKEHOLDERS, MANAGE INNOVATION FOR A BETTER ROI



SPEAKERS

Prof. Norman Miller, Professor, University of San Diego

Ralph DiNola, Principal, Green Building Services, Inc.

Meg Forbes, Global Real Estate, MasterCard Worldwide

Kasper Guldager Jørgensen, Partner of 3XN and Director of GXN, 3XN

Joakim Larsson, Vice Mayor, City of Stockholm

Eric Lesueur, Urban Dev

- Developed countries are confronted with low yield and a lack of supply. In developing countries we have the opportunity to build differently.
- Today the occupier wants to lower external noise, control temperature, enjoy natural light as well as good isolation and benefit from flexible spaces. Everybody wants green shoots, the future will change the industry. Here are a few keys to raise both rate and value.
- We want to create a link between innovation and Return On Investment. A large part of innovation is not a technology, but a process. We have to re-invent the process.
- We witness a big shift in the industry, which can minimize risk and increase return; this is a really ambitious vision. We need to support this shift: great technology and energy performance. We have to focus on passive solutions first. We can find great things in technology but the passive strategy is the huge innovation where engineers and architects have to speak with each other.
- In passive buildings we try to eliminate the concept of waste. The green architecture objective is to minimize energy use and create a building as an eco-system. The ultimate target is to build a fully recycled building where waste is no longer an issue.
- A building is composed of water, air and purity. People work more effectively in a healthy environment that requires a good flow of fresh air and daylight. We always have to compare the value of the building and the value of the people who live inside. We need to put people at the centre, make them communicate more and monitor what goes on.
- Today authorities plan cities then they ask companies to plug the networks, water, and waste... But what is tomorrow's target? It is no longer to build facilities; it is to build a city project. Veolia works on that issue, on the service side. We ask what are the expectations of citizens, what price can they afford for better energy, and how do they conceive change to the planet. We approach the city with the vision of an urban service provider that can also change the way that architects conceive the city of tomorrow.

- To live in a greener way is not always an easy thing. For example, today we can easily recycle wastewater and after distribute it in domestic networks with no consequences on health or taste. But the quality of water is mainly based on psychological reasons, and we have a lot of difficulty getting people to drink grey water. Whereas in Singapore 20% of the drinking water is recycled water.
- Stockholm is the first green capital in Europe. Today they are stakeholders in development, so we need their help in order to reach these goals. Today there is a lack of global vision, because the target is not always clearly identified. We have to put money on the table to increase innovation. This money has to be from public and private funds because changing the world is market driven. If we give incentives today we prepare benefits for tomorrow, this is a policy.
- Today buildings change of paradigm they can produce food and produce energy. In green tech areas all the small start-ups recycle their water. That is a change in human behaviors, which has good consequences on human productivity, and all these changes have a lot to do with the place of work.
- The last thing is to unlock the human behaviour that is the key of the issue. In order to stimulate the human behaviour in the building we have to use new tools like software. We have to make it fun to make it right!

V. 10 GOLDEN RULES TO INCREASE THE VALUE OF THE PROPERTY ASSET



SPEAKERS

Peter Woodward, Director, Quest Associates

Erik Sonden, Senior Adviser, Ernst&Young

Sarah Jancot, Student, ESSEC Real Estate and Sustainable Development Chair

1. Location, location, location, location, location, location, location, location, location, location

2. “Know your buildings”, adopt new technologies.

Collect updated data covering all aspects of your assets’ portfolio in order to come up with proper strategic decisions.

3. Long term vision pays dividends.

Even though you are a short-term investor, you should not consider a building only through the next break option because this strategy is virtually and economically destroying value. Planned obsolescence in technology also goes for property...

4. Use green label to create value

Green labels should not only be an advertising tool for companies. Once the label is obtained, all stakeholders in the property chain must not forget that a building cannot be “Green” if its use is not in the same line.

5. Hot desking: this time for real?

Are managers and their team ready to eventually implement desk-sharing, homeworking...? Things do not seem to move forward whereas it could be a huge revolution: relief of congestion on our roads, reduction in rentals, productivity maximisation...

6. E-commerce: the warehousing revolution is coming to town

Warehousing should operate as round-the-clocks shopping centers. Huge economies of time and money could be secured if some warehousing were settled in the inner cities: once your product has arrived, you could choose to go and pick it by yourself at all times or to be delivered at home the usual way. This revolution is a way to merge E-commerce and existing shops and to satisfy those who want the quickest delivery.

7. Anticipate cities development

Real Estate should drive cities development and not the opposite: tomorrow’s Real Estate projects have to be innovative and well thought to attract people and fit their needs. Anticipation of tomorrow’s major trends is key to the success of a city’s development.

8. Think different, think vertical

Buildings can also be used as public spaces and not only as offices. Mix the uses and count on architects' creativity. It will create an extra value by giving your building a soul and a story.

9. Your tenant is your partner

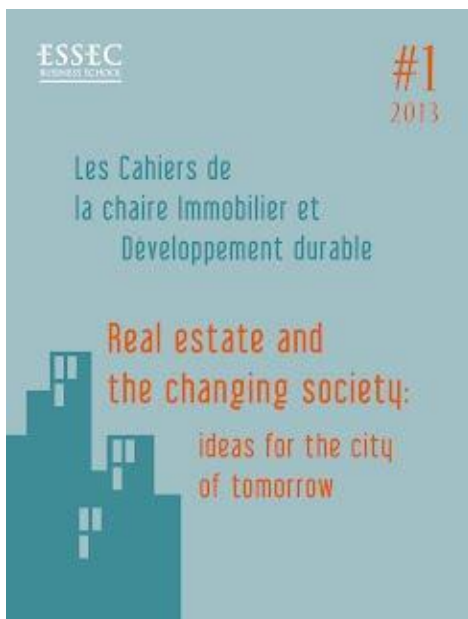
The investor and the tenant share the same target: increasing value and productivity. Implementing a transparent and authentic relationship enables a global growth of value and social exchanges. For instance, a tenant that occupies a green building increases its productivity from 1 to 20%. This extra value is not proportionally shared with the investor, as rents are market driven. Tenants are not ready yet to pay more for an efficient building but they are still willing to capture this unexpected value creation.

10. The audience has to set the tenth rule: good screening and monitoring of the data is key to success, do not drown yourself in inefficient details!

DISCOVER THE ESSEC - CAHIER #1: IDEAS FOR THE CITIES OF TOMORROW

This first issue of the **Cahiers de la Chaire Immobilier et Développement Durable** takes a look at the changes in society and real estate that are transforming our towns and cities. Interviews with some twenty academics and actors from the real estate sector highlight the issues facing different real estate sectors in a context of fast-paced change in our societies.

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Interviews with some twenty academics and actors from the real estate sector highlight the issues facing different real estate sectors in a context of fast-paced change in our societies. The rise of mobility, the digital revolution, new ways of working, new consumer habits, cultural practices, an ageing population, the demand for flexibility in the world of work... all these social and cultural mutations are factors for change in our relations to space, and built-up space in particular. How should the housing, offices, and warehouses of tomorrow be designed today? Are these very classifications called into question by the emergence of new forms of hybrid buildings intended to meet the need for coherence in urban organization? As environmental constraints grow increasingly stringent, what innovations today point to areas for reflection on the city of tomorrow?



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