

What happens next? Top industry experts exclusively reforecast the post-lockdown future: Part Two

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For me, there are two big challenges. The first is navigating what is likely to be an unavoidable correction in valuations following the pandemic's squeeze on the economy and ensuring portfolio capital structures have sufficient liquidity to see through to the recovery stage.

Second, until a vaccine is identified, consumer and workplace behaviour will remain modified. This creates uncertainty about the traditional design, density and configuration of many types of real estate. At this stage, we don't know the impact on occupational demand for traditional real estate, which makes underwriting deal risk incredibly challenging.

One opportunity will be to use the pandemic as a catalyst to put politics aside and work in collaboration with local government to regenerate obsolete assets in communities most in need of stimulus and transformation.

The economic reset will cause consumers to go back to basics in their spending patterns – covering the costs of housing and grocery needs will be the priority.

Grocery-anchored convenience retail and rental housing (multi-let, single-let and retirement) should be resilient in terms of occupational and investor demand.

Coupled with the emergence of urban logistics and re-emergence of suburban offices, this could fuel a 're-localisation' of the market and a reduction in the rental premium attached to core city-centre areas.