

# CMS European Real Estate Deal Point Study 2022

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The results of the study and/or this report and the conclusions presented therein do not necessarily reflect the views of the lawyers or employees of CMS Hasche Sigle involved in preparing the study and/or this report. A total of 2,231 real estate transactions were evaluated for the study and/or this report. There are inevitably many differences between the individual agreements and the clauses they contain. Individual provisions were categorised in order to allow the results to be compared, a process that required a degree of subjective discretion. Although certain trends can be identified in the study and/or this report, each transaction exhibits individual features that have not been included or referred to in the study and/or this report. As a result, the conclusions of the study and/or this report are subject to a number of important reservations that are not expressly disclosed in the study and/or this report.

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# Real Estate Investment Market

## 2021 / 2022

The European real estate investment market appears to have largely recovered from the consequences of the COVID-19 pandemic in 2021. Compared to the pandemic-stricken previous year, total investment increased by around 15% to approximately EUR 270bn, marking a return to the pre-crisis level. Looking at the year as a whole, however, considerable geographical differences emerge when comparing the individual markets within Europe. Investment in Germany, the UK, Spain and the Czech Republic, for example, increased significantly. In some other countries, such as France, the Netherlands and Belgium, investment lagged the level seen in 2020.

The residential and logistics asset classes performed particularly well last year, having become the focus of investors' attention mainly due to their stable income flows. In the markets, demand from international investors was also up again in 2021, with intra-European transactions being the rule. With regard to contract design, the buyer-friendly trend continued, as reflected by a decrease in *de minimis* and basket clauses and caps, and by longer limitation periods – despite the market environment that was still very seller-friendly.

European investment volumes remained strong in 2021. This was due partly to the ongoing good credit terms and partly to the continuing lack of alternative sources of return. Inflation, which continued to rise in 2021, also had an impact on the performance of the real estate market and brought increased pressure of capital inflows for investors. The direction of real estate investment in 2022 remains to be seen, not least due to the war in Ukraine. We are delighted that Frank Leukhardt, CEO and Regional Manager at Colliers, has shared his initial assessment in an interview. Please see page 13 of the study.

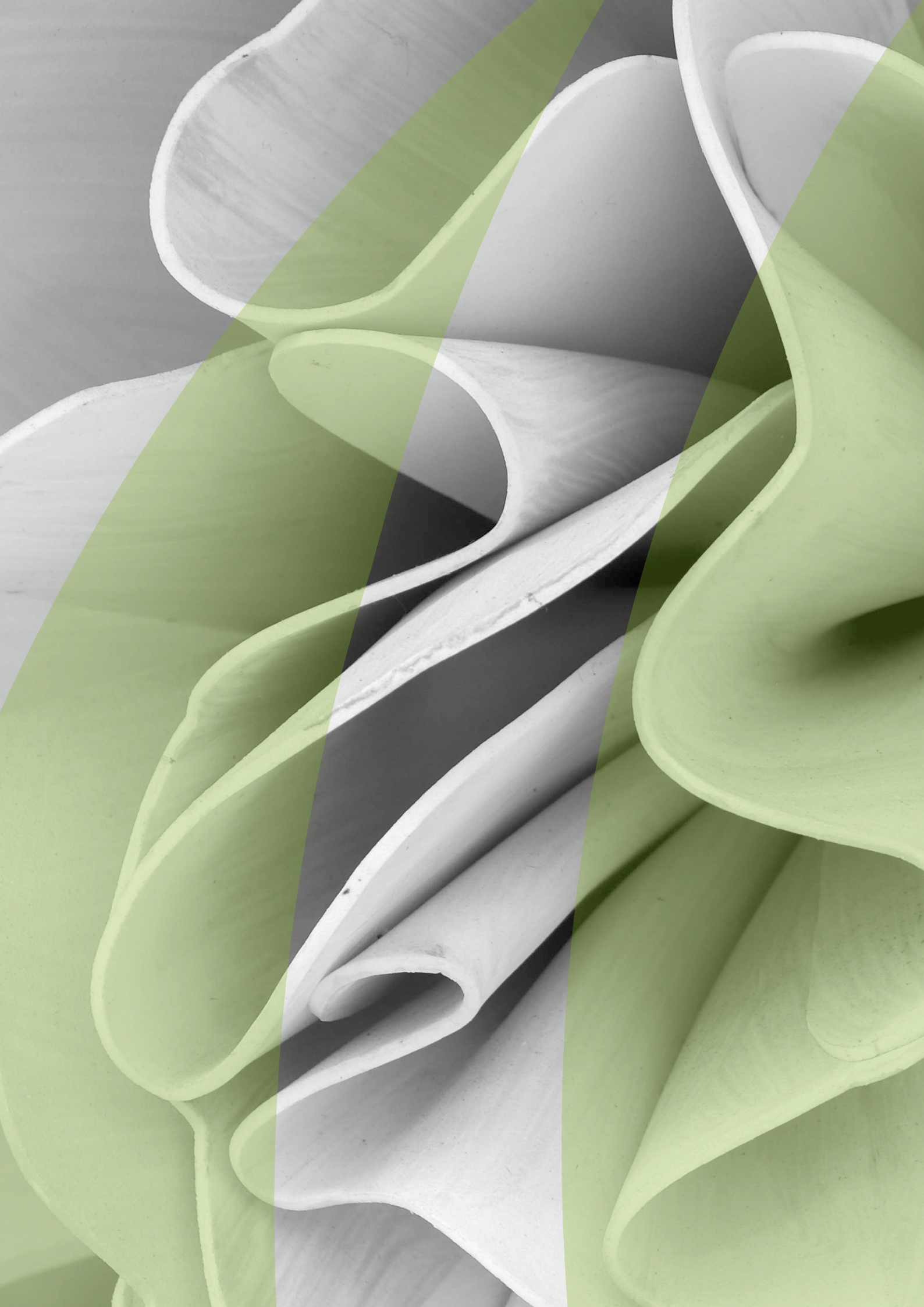
The new CMS European Real Estate Deal Point Study 2022 now includes more than 2,200 transactions. Compiling the study involved comparing the transactions on which we advised in the period 2010 to 2021, enabling us to highlight developments and trends.

The market response to our study indicates that over the years it has repeatedly proved to be a valuable tool when preparing for contract negotiations. Any feedback you may have on the study is very welcome.



A handwritten signature in blue ink that reads "Volker Zerr".

Dr Volker Zerr, FRICS  
Partner



# Methodology

Drawing on data from 2,200 real estate transactions advised on by CMS in 14 European countries between 2010 and 2021, we used a standard evaluation form to capture, categorise and systematically analyse the individual contract clauses. The study covered asset and share deals as well as sale-and-leaseback transactions, with both individual and portfolio transactions being analysed. Transactions from all real estate segments were included, in particular office, retail, residential, and logistics properties. Three groups of countries were formed to present the differences within Europe: German-speaking countries (Austria, Germany, Switzerland), Western European countries (Belgium, France, the Netherlands, Spain, the UK), and Eastern European countries (Bulgaria, Croatia, Czech Republic, Hungary, Poland, Serbia). Unless stated otherwise in the study, the percentages (%) refer to the proportion of deals in the relevant year.



## About CMS Real Estate

With the largest commercial real estate team in Europe and one of the biggest worldwide, CMS is well positioned to help investors, funders, developers, landlords and occupiers navigate all aspects of the real estate market and maximise their assets. Whatever the size and scope of your project or deal, with almost 800 Real Estate lawyers in more than 40 countries we have the resources to meet your needs quickly and efficiently, offering deep local expertise. We have been active in real estate in our markets for decades, so we understand the culture, the economic context, the local legal context and the history.

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