NON-CORE

Alternative ways to commercialise buildings

REvolve

Digital Real Estate Innovation Council

Our members:

CLIFFORD CHANCE

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Digital Real Estate Innovation Council

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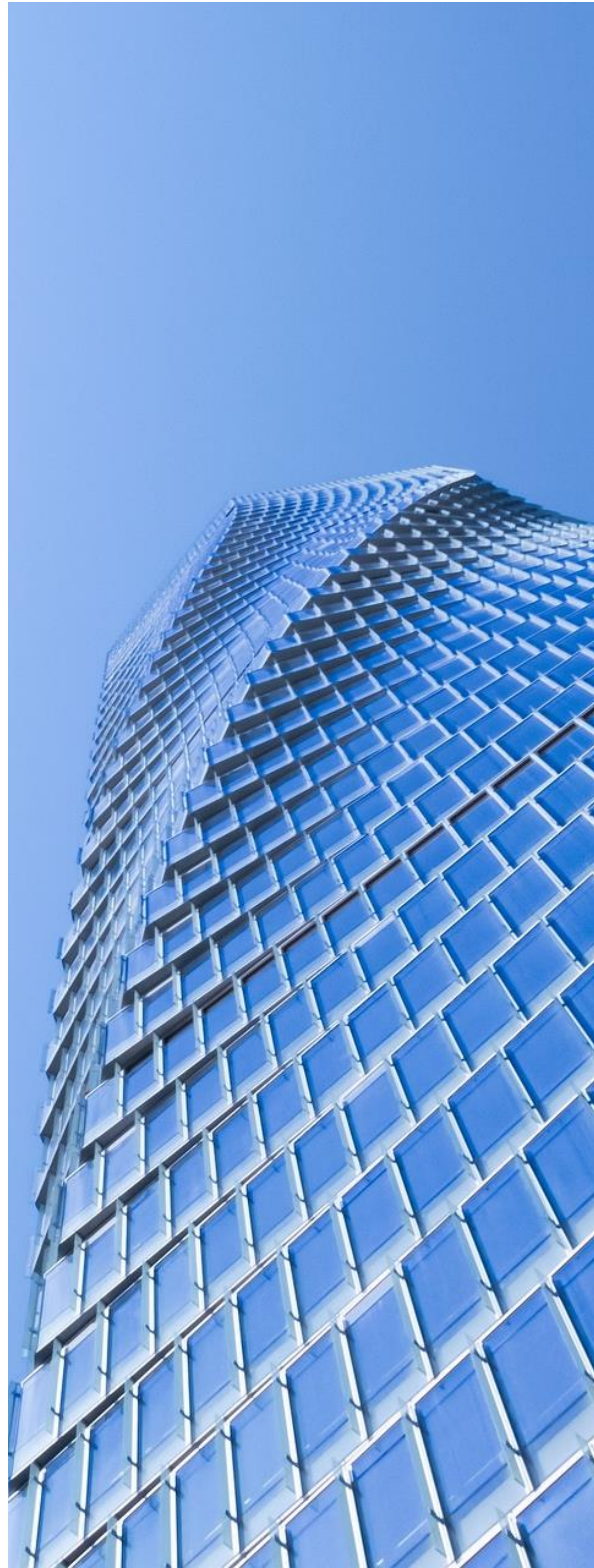
Introduction

The Real Estate sector has undergone significant change in recent years. Technological advancements and a change in working patterns post pandemic have reduced the demand for retail and office space, applying downward pressure on rental income. In response, real estate owners are considering innovative ways to monetise their buildings and generate additional revenue through value-added services. This strategy of leveraging 'non-core' or 'ancillary' income—a longstanding feature of the retail market—is now gaining traction across the sector.

The focus on sustainability within the property industry has created new opportunities for non-core income, with rooftop solar photovoltaic (PV) panels and electric vehicle (EV) chargers becoming viable options for certain buildings. These new technologies and the more traditional non-core amenities bring their own challenges but can also provide long-term revenue to counter falling rental income, attract new occupiers and potentially increase the value of buildings in the future.

This report considers the commercialisation of buildings, exploring the diverse sources of non-core income, their impact on property owners and occupiers and the possible implications for property values and the future structure of the sector.



Section 1

Generating non-core income

1.1 Sector analysis

Overall, non-core income activity is becoming more prevalent in the Real Estate sector but what these sources of income are, and how they contribute to overall income and values, differs across sectors.

1.1.1 Retail

The steady decline in rental income in the retail sector has forced landlords to look for alternative income streams and so retail has led the charge on non-core income activity for some time. As a result, in many cases this additional income has changed from a 'nice to have' to a significant contribution to overall income.

According to MSCI, all retail rents have declined at an average annual rate of -4.5% over the last five years, a cumulative decline of -20.4%. *(Source: Knight Frank)*

It is common for shopping centres to lease space for advertising, both digital advertising in malls and car parks, as well as bulkhead advertising screens. The use of kiosks or Retail Merchandising Units (RMUs) for additional retailers are also popular, although these tend to be transient in nature, with new retailers occupying them temporarily for promotional purposes. Vending machines and children's rides can be an attractive source of income, sometimes generating healthy revenues in prime shopping centres.

More recently, the sector has seen a trend for the commercialisation of roof space, particularly for telecoms purposes. Shopping centres can lease their roof space to telecoms companies for the installation of repeaters which amplify the network signal and propagate it across the shopping centre. This can bring in new revenue and simultaneously

provide a better user experience for customers.

EV charging can also bring significant non-core income to retail parks and supermarkets, particularly where there are well located assets with strong anchor tenants. The structure of rapid EV charging is particularly attractive from a landlord's perspective, because there can be minimal upfront CAPEX contribution, planning or grid connection costs. Typically, a lease is agreed with an EV charging operator which can provide annual, index linked rental income for around 25 years. This can result in significant revenues across a portfolio.

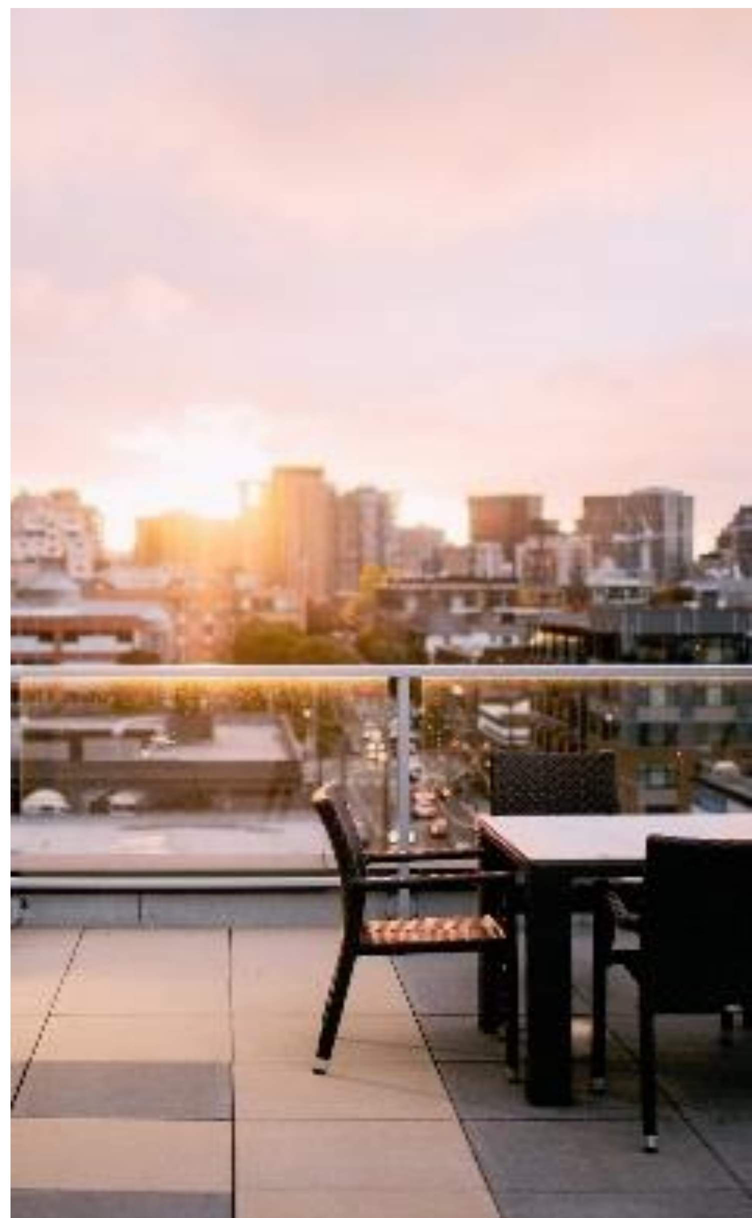
Overall, non-core income has grown and, in some shopping centres, can provide double digit percentage contributions to total net income. However, some of this commercialisation activity trades off footfall which can be cyclical and unreliable if shoppers are attracted to other venues or seasonal factors impact.

1.1.2 Industrial and Logistics

Solar energy is a potential new source of income for warehouse owners with rooftop solar PV installations emerging as a new source of revenue. This ticks several boxes. It can generate reliable, additional income for the owner whilst also supporting decarbonisation objectives for both owner and occupier through the supply of renewable energy. The investment in rooftop PV could also have a positive impact on the value of the building in the future. The previous Conservative government identified the untapped potential of commercial buildings for solar energy production and relaxed planning laws to make the installation of rooftop PV easier. Overall, the more roof space, the better the earning potential, so warehouses as well as public buildings such as schools and universities have good potential. There are however challenges with PV, such as the upfront installation and development costs, grid connection constraints which can prevent the export of surplus energy back to the grid and reduce income potential, as well as roof structure limitations. Optimising the number of panels to the building requirements is therefore important until these issues can be resolved. Energy hungry buildings, such as data centres or film studios, may benefit more from rooftop PV when all the energy produced is consumed within the building.

The government has a target to increase solar capacity by nearly fivefold to 70GW by 2035.

Gov.uk



Turnover rents have been embraced (willingly or otherwise) for some time by the retail and hospitality sectors. A lease including a turnover rent will usually entitle a landlord to receive a base rent that is lower than the market, together with a portion of the turnover generated at the premises, somewhat aligning the economic incentives of landlord and tenant.

The landscape in the office sector is somewhat different, where turnover rents are unheard of. But, given the headwinds facing the office sector because of the increase in working from home, could turnover rents provide a viable option for office landlords who want to be more creative in their rental structures, creating further economic alignment between landlord and office tenants?

The short answer is: probably not. Implementing a turnover rent for office premises would be complicated (and costly) to operate. In a retail/hospitality premises, the underlying premises is that a customer attends a specific premises and acquires goods or a service, making calculating turnover from that premises relatively simple (although online sales collected or returned to premises can complicate this). In contrast, turnover generated by office-based businesses can be more complex. For example, for a business with more than one office, it is difficult to ascertain where the turnover was generated or how to apportion it between offices. Should turnover generated by employees whilst working from home be included? A tenant will be reluctant to pay additional rent for this turnover (as it undermines any cost saving a business has made by reducing office space), but collecting data to demonstrate which turnover was generated whilst employees were working at home would be unreasonably burdensome for both the tenant to collect and the landlord to validate.

Whilst the traditional turnover rent structure may be too difficult to adopt in the office sector, with the potential for increased vacancy rates on the horizon, landlords may still need to think creatively about rental structures to keep up with tenants' demands and maintain occupancy levels. Could landlords of estates or multi-let premises offer space at a base rent lower than market but with additional amounts paid (taking the total above market) if certain occupancy levels are reached? Landlords would be incentivised to provide attractive services and amenities, and tenants benefit from increased occupancy. With availability still significantly exceeding supply, landlords may need to look at new models to stand out from the crowd.

1.1.3 Offices

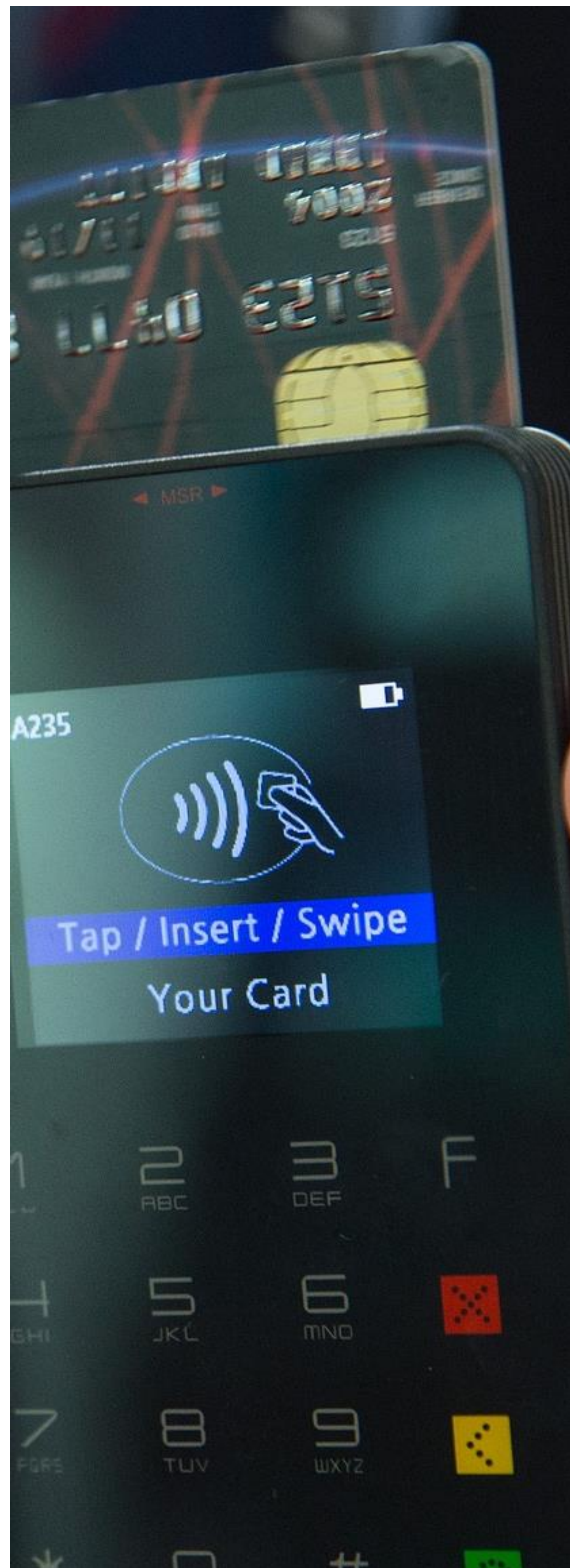
Traditionally, offices have lagged behind the retail sector in commercialising non-core activities and some income streams, such as EV charging stations, are more challenging to implement in office spaces because they lack the public demand typically seen in retail environments.

However, there has been an uptick in the interest in non-core income, partly driven by ESG requirements, and partly by the downward pressure on rents and the reduced demand for offices since the COVID 19 pandemic.

The leasing of office roof space for solar PV panels, for example, is contributing new revenue streams whilst providing a renewable energy source for sustainability conscious occupiers.

Some office owners are also looking at converting any unused space in their building, making physical amendments in order to exploit ancillary income. Examples include converting roof space to accommodate food and beverage outlets or sports facilities such as padel courts, which can be chargeable income streams to tenants.

Another area of opportunity is advertising. With the pressure on the office sector to retro-fit offices to comply with ESG requirements, more landlords could install advertising boards on scaffolding or external cladding as the building is redeveloped. This could create additional income and potentially mitigate the absence of rental income associated with a vacant building during a retrofit. However, activity like this is often overlooked, possibly due to a lack of forward thinking meaning that planning permission is sought too late or because non-core income tends to be adopted by only the more agile, creative building owners.



smartspaces.

A smart looking future for CRE

From the introduction of skyscrapers to the rise of malls in the 20th century, commercialisation has always been about meeting societal demands. With more people moving to cities, the demand for space is skyrocketing. This has led to the creation of dense, vertical cities filled with multifunctional buildings. Today, we see a rise in mixed-use developments that blend living, working, and leisure into one cohesive ecosystem.

Transformation is well underway. Propelled by groundbreaking trends that are reshaping commercial real estate at its core. At the forefront is the growing commitment to sustainability. A movement that is not just an option, but a necessity for modern construction.

Today's structures are designed to align with eco-friendly principles, integrating renewable energy sources, advanced waste management systems, and sustainable materials. Standardisation for these benchmarks in the form of certifications like LEED, WELL and WiredScore symbolise a steadfast dedication to environmental responsibility.

Gone are the days when brick and mortar alone could guarantee letting demand. Occupiers and tenants now expect their spaces to make commercial sense. With ESG metrics becoming a standard consideration, it's imperative that the buildings they occupy meet these expectations.

Underpinning this shift are technological advancements charting the future course. Smart buildings, powered by intuitive software like Smart Spaces, represent this new era of commercial viability.

These systems manage the intricate mechanics of a building, fostering environments that prioritise tenants. Air quality, mobile credentials, comfort controls, amenity booking, and catering are just a few of the features users can personalise to their needs. Meanwhile, landlords and operational teams leverage insights to ensure the optimal performance of their assets.

Simplicity is essential. Our pioneering smart building operating system seamlessly integrates these capabilities without requiring a tech stack. This means easier building support and less down time. For occupiers and landlords, it optimises energy usage, strengthens security, streamlines maintenance, and creates spaces that are both highly functional and effortlessly accommodating. This balance of simplicity, sustainability, and cutting-edge technology is redefining real estate and creating a future where buildings work smarter for everyone.

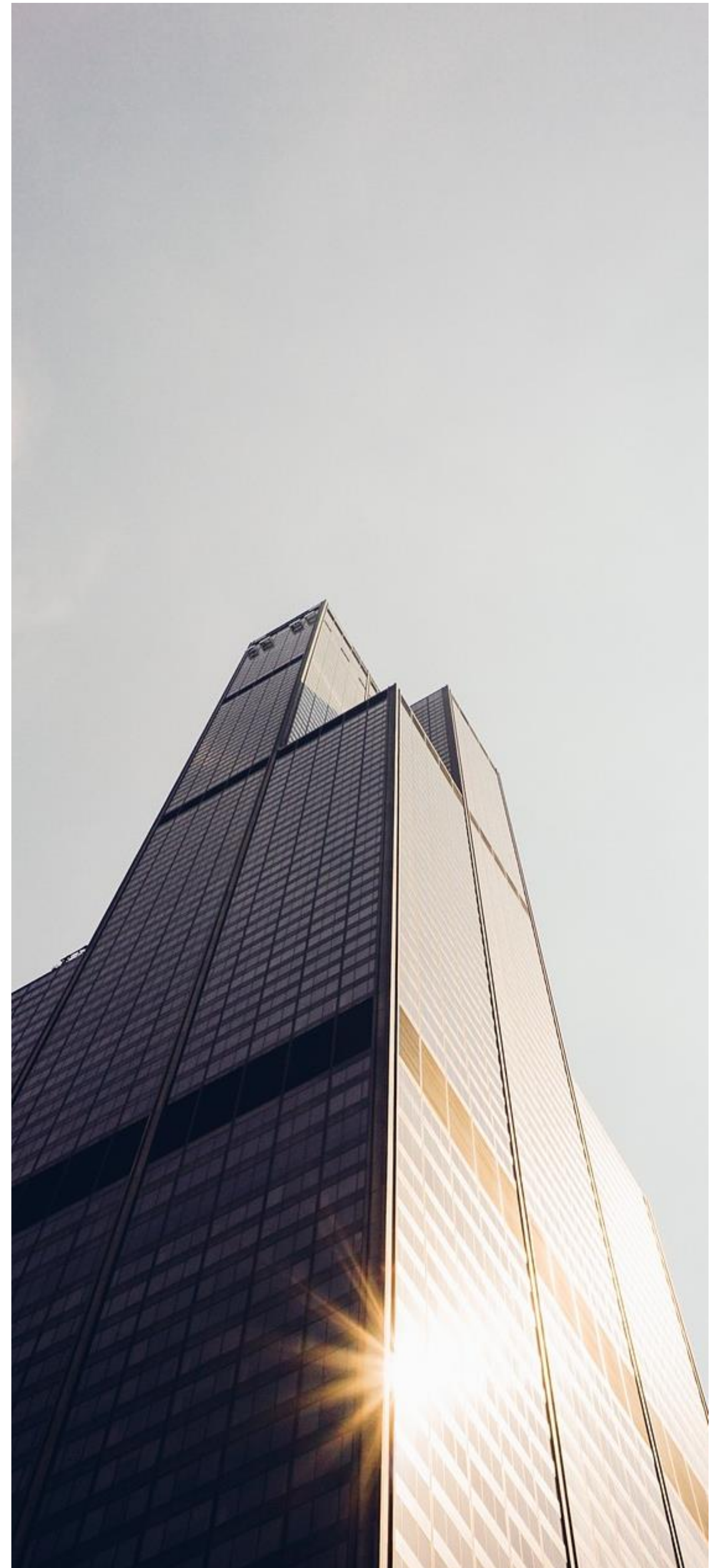
In high-end offices, the market has seen 'hotelification' where office occupiers expect a hotel-like experience with premium services and amenities, such as sports facilities, smart lockers, parcel concierge and art installations. As a result, these additional amenities or services help maintain premium rents and attract premium occupiers, rather than bring in new income streams. However, for lower grade offices, where landlords may be particularly exposed to falling rents, non-core income can help bolster overall net income.

1.1.4 Residential

The residential sector has been creative in producing new sources of income for some time. For example, Airbnb allowed residents to lease part or all of their homes to tenants, whilst US company Neighbor[1] created a storage sharing marketplace, connecting people with unused space to others who need parking & storage.

In the Private Rental sector (PRS), there has been an influx of ancillary services, particularly within student accommodation. Students can access smart lockers to rent items from hoovers to games consoles, vending machines, and cinema rooms, all for a cost in addition to their rents. Car parks in residential blocks are also a popular way to bring in additional income streams.

A common practise in the residential market is property managers or agents receiving a commission or kickback when they arrange building insurance or maintenance services for tenants. Regulation and standards are in place to ensure that these charges are always fully disclosed to tenants and a Government consultation[2] on 'permitted fees' is underway to ensure transparency around this issue. It is possible that commissions on financial services become increasingly common in the commercial Real Estate sector as new income sources are sought.



[1] Neighbor

[2] Gov.uk

Knight Frank

Enhancing destinations to capitalise on existing occupier and visitor customers with additional services is a key part of placemaking to enliven space and create some 'theatre'. It is also an increasingly significant income producer for commercial real estate owners and an income contribution to occupier service charges. This requires dedicated specialist teams that need to work closely with Asset and Property Managers to support the business plan for the asset, rather than asking the building or centre manager to 'see what they can do'. Collaboration is key. It is essential that commercialisation activity is complementary and does not conflict with existing occupiers. You cannot alienate.

How can buildings make additional income?
The commercialisation opportunities are similar for all asset classes, but the key differentiator is footfall; type and quantity. An office campus in the City with 30,000 workers will offer different commercialisation opportunities to that of a large regional shopping centre with more than 15 million annual visitors. The demands and mindset of the customers are very different so it is important that the commercialisation activities are appropriate for 'the stage' on which they will perform. A Peppa Pig 'meet and greet' in a shopping centre during half-term school holidays is likely to drive footfall and appeal to a certain demographic of customers than if it was located at office campus in the City.

Knowing your audience is key. Data from occupier and customer surveys, CACI catchment research, mobile phone data to provide anonymous post-code analysis of visitors, ANPR data to understand frequency of visit and dwell time, and the collection of turnover data from retail, F&B and leisure occupiers is crucial to understanding commercialisation opportunities and their effectiveness. Opportunities comprise:

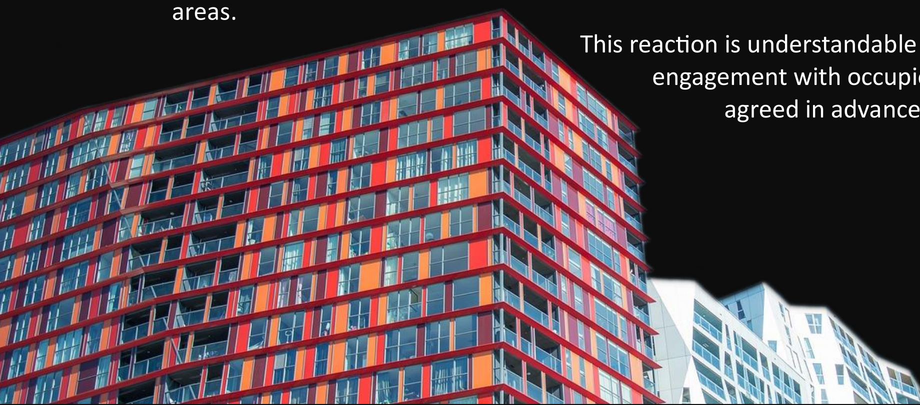
- Children's rides
- Vending
- Food & drink festival
- Sponsorship
- Digital advertising including live sport around key events to create a sense of community and place.

How do these new revenue opportunities affect the traditional real estate charging model?
As lease lengths reduced resulting in a greater turnover of occupiers and with commercialisation deals sometimes going from interest to occupation with only a few days, the property asset management teams have to be innovative and agile to capitalise on short-term income opportunities. Assets have to offer flexibility of location, space, and duration and the property asset management teams need to share in the risk and reward through turnover rent leases.

With more total occupancy cost ('TOC') deals, the role of property managers as managers of service charge and custodians of data (e.g. property overheads, turnover, lease expiry profile) is central and requires a strong understanding of data and analysis. The days of quarterly in advance rent and service charges with occupiers paying all property overheads will not return. Agility and the confidence in managing data is vitally important.

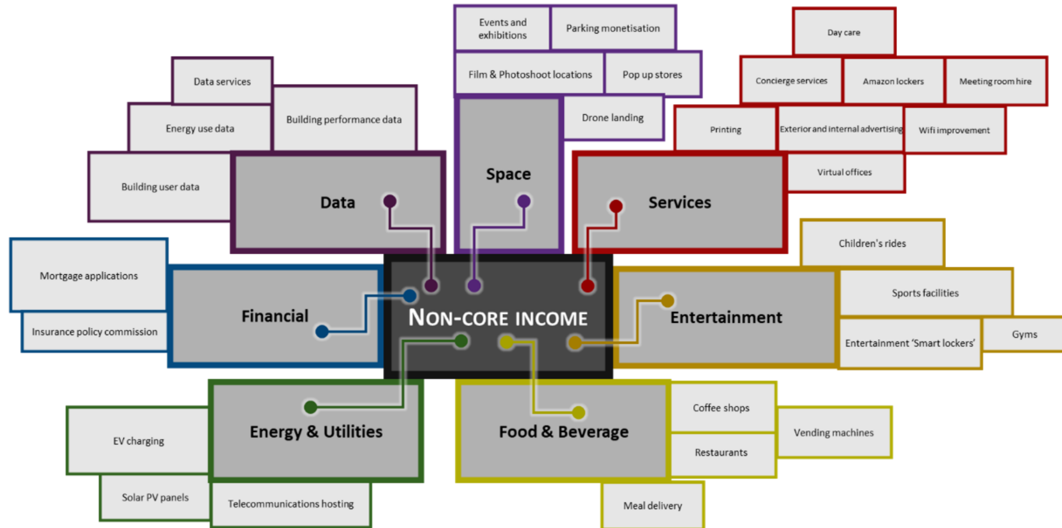
Other challenges that we may face
Over-commercialising an office campus, retail park or shopping centre can be counter-productive and damage the brand of the destination. It is essential not to alienate existing core occupiers by chasing transient or 'non-core' income at the expense of the longer-term occupiers and stakeholders. We have seen key core occupiers seeking to protect their brand and visibility with the introduction of exclusion and visibility zones that sterilise areas.

This reaction is understandable but can be overcome with early engagement with occupier customers to ensure such activity is agreed in advance and supports core occupiers.



1.2 Examples of non-core income

Some examples of potential non-core income by category.



1.3 Data

Within the Real Estate market, data is becoming increasingly important for business operations and decision making. Buildings are using smart technology to collect more and more data on building users, services and ESG performance. This presents an opportunity for building owners to commercialise and sell that data. The commercialisation of data has become commonplace in other sectors, however it has not yet been widely considered in the Real Estate sector. This is, in part, due to the high volumes of data required to generate a substantial income. These are often not available in a single building, therefore it is likely that this is, at best, only viable at a large portfolio level. However, commercialisation of data is more likely to extend to data services, for example providing energy data to occupiers for ESG reporting or the management of data with external bodies, such as registering high risk buildings with the building safety regulator. Today, the data collected in buildings is largely considered for improving reporting or building performance, but the commercialisation of that data is likely to grow in the coming years.

Section 2

Challenges

Managing revenue from shared amenities

Additional non-core amenities or services in buildings tend to be positioned in the common areas of the building, both internal and external. The maintenance and upkeep of these spaces are usually paid for by occupiers through their service charge. However, sometimes occupiers can resent their landlord for making additional revenue from areas of the building that they pay for through their service charge, leading to potential conflict. This can be avoided if landlords are able to demonstrate that the ancillary services help to drive footfall or attract other occupiers, or that they can justify a lower service charge by sharing a percentage of the revenue.

The balance between rental income and non-core income

Commercialising non-core services can lead to three outcomes:

1. Supplementary revenue: the generation of additional income to offset falling rents or to provide flexibility to offer lower rents, helping to attract new tenants and reduce vacancy rates.
2. Enhanced amenities: improved facilities and services to meet the expectations of high-end occupiers, justify premium rents and attract quality tenants who feel they are getting great value for money.
3. Diversified revenue streams: a new income source independent of rental income, providing financial resilience without impacting rent levels.

As a result, building owners need to strike a balance between providing better amenities and services to justify or increase rents and creating additional income streams that operate independently of rental income.

Data challenges

The Real Estate sector has traditionally lagged behind other industries in adopting robust and sophisticated approaches to data management. Even when data is collected, it is often incomplete, of poor quality and difficult to access. As a result, the commercialisation of the data itself, data services or other data opportunities can become difficult to realise in practice. This issue is exacerbated where interoperable data formats and standards are not widely adopted.

A lack of suitable data can affect a property's value as the evidence required for the valuation is unavailable. It can also present regulatory challenges by hindering reporting requirements.

Sacrificing lettable space

Ultimately, a landlord wants to be able to offer the largest lettable area available with the smallest common area possible to maximise rental income. One of the big challenges when considering sources of non-core income in a building is how much of the otherwise lettable space is forfeited for the venture. For example, adding a coffee shop to a building could bring in new revenue streams, but this would need to be higher than the rent that could have been achieved on that floorspace. However, in some parts of the office market, there is an argument that there will come a tipping point where the natural inclination to free up lettable space means that the lettable space will no longer be attractive to tenants because they are not getting the services they require.

14% of businesses that handled digitised data shared data outside their organisation in 2024. (Gov.uk)

Culture and viability restrictions

Across the sector, there are some simple but untapped opportunities for commercialising buildings. For example, some buildings offer a virtual office address to customers who benefit from the physical presence of the building, with mail forwarding, reception services and access to meeting rooms, without the expense of renting an office space. However, virtual office services are often dismissed due to cultural barriers (it hasn't been offered before) or viability limitations (the building's location lacks prestige, or there isn't adequate space to accommodate meeting room bookings).

Impact on brand

In shopping centres, some owners have seen push back from occupiers over increased ancillary amenities, if they believe they are negatively impacting their brand. For example, pop-up stalls, installed within common areas but in view of the other retailers' units, can upset some tenants who may request exclusion or 'invisibility' zones outside their shopfront. There is a risk that any additional non-core income is diluted because the occupiers demand a lower rent or service charge in compensation. Some landlords address this directly by sharing a small percentage of the net income with tenants through the service charge. Within the office market, supplying energy through roof top panels can be beneficial to occupiers but there can be resistance if prices appear over inflated compared to other suppliers.

Lack of active asset management bandwidth

If asset owners are going to benefit from additional non-core income, they need to invest in the active management of their building. This needs to be proactive and timely for the best results but it does come at a cost which might prevent the lower tiers of the market from taking appropriate action.

Valuations

With non-core income streams on the rise across real estate, how this is reflected within the valuation process and how this differs from what an investor recognises as the building's value, will become a key issue. Over time, it is likely that non-core income will drive more and more of the value of a building, however, today, there is often not the evidence available for this to be easily recognised by valuers.

The Royal Institute of Chartered Accountants (RICS) has introduced new standards and updated guidance on the impact of ESG on building valuations. However, this is a fast-changing area and it is normal for the valuation process to take time to catch up.

In 2021, The Independent Review of Real Estate Investment Valuations, led by Peter J. Pereira Gray was published[3]. One of its key recommendations was the adoption of the Discounted Cash Flow (DCF) approach as a primary valuation method to provide a more forward-looking analysis, rather than relying on direct property comparables which tend to be evidence based and therefore more backward-looking. It also recommended a requirement for greater transparency on the reporting of data points. However, the move to DCF can be challenging as it relies more heavily on data which can be hard to obtain and isn't always transparent even when it exists. This could be particularly challenging for buildings with non-core income streams because long-term income predictions from renewable energy or EV charging installations can be less easy to predict.

If non-core income is not yet being reflected in valuations, then it will not be reflected in debt financing either, making it harder to justify.

[3] https://www.rics.org/content/dam/ricsglobal/documents/to-be-sorted/independent_review_of_real_estate_investment_valuations.pdf

Spotlight on valuation

EV charging

If there is a lease in place for rapid EV charging, it should be straightforward to value. However, one of the challenges is that doubts can exist over the security of the long-term income. For example, not all EV charging companies provide Parent Company Guarantees, so they can be perceived as higher risk and confidence in the long-term income falls. In this case, a valuer might take a more pessimistic view than the investment market meaning that the two values are not aligned.

However, installing EV chargers could help indirectly enhance a building's value by contributing to a higher BREEAM rating. For example, BREEAM credits are awarded if 3% of total parking capacity have active EV charging points[4].

Rooftop PV panels

There is some guidance on how rooftop solar panels contribute to a building's valuation. RICS has published standards and guidance updates on the valuation of renewable energy installations but much of this focuses on these as a separate commercial entity. RICS acknowledges that this is a complex area and "*there has been mixed evidence as to whether renewable energy within residential or standard commercial property adds further identifiable value to the underlying existing building. In most instances, this will be difficult to assess as a separate element of value.*." and "*there are risks and complications of varying ownership structures and rights; the risk of double counting value and that a given property may be adversely affected rather than the installation increasing value*[5]."

However, the RICS 'ESG and Sustainability in commercial property valuation' standard states that "*excess energy generated by sustainability measures such as photovoltaics can, in some locations, generate a measurable income that can be factored into valuation*[6]".

Similar to EV charging, it is more straightforward to include income in valuations where there is a Power Purchase Agreement in place as the income can be forecast with more certainty. However, it can be more challenging when landlords negotiate energy deals with tenants as it can be harder to reflect that within capital values, especially where there is a lack of market data.

Green-rated buildings can offer up to 12.3% rental and sales value uplift compared with non-rated buildings.

Knight Frank

[4] https://ww3.rics.org/uk/en/journals/property-journal/how-landlords-can-strategise-ev-charging-.html

[5] RICS Valuation of Renewable Energy Installations

[6] RICS Sustainability and ESG Standard (2023)

Section 3

The future

3.1 Sector shake-up?

If non-core income continues to grow and emerges as a noteworthy contributor to overall revenue, the Real Estate sector could see a significant shake-up in its structure.

A good example might be the office market. At the top of the pyramid, the occupiers of premium buildings expect high-quality ancillary services and amenities to be included within their premium rent or service charge, leaving limited scope for innovative non-core revenue strategies. In the mid-tier, building owners are well positioned to capitalise on new, non-core opportunities. However, if occupiers are happy, there is little urgency to rethink the traditional model or explore creative asset management approaches to unlock alternative revenue streams. Meanwhile, at the bottom of the market, lower-tier, potentially distressed offices can struggle to attract tenants. Some face a burning platform where immediate action is required. There is an opportunity here to rethink the value proposition by prioritising non-core income streams, subsidising a more competitive rent to attract tenants back to the building and potentially leapfrogging mid-market competitors.

Ultimately, it is likely that the commercialisation of buildings will become much more complex and varied across the market, with similar buildings taking very different approaches. This is likely to reshape the market and owners and investors who actively manage non-core income streams will be best equipped to capitalise on them.

3.2 Action needed

Real estate organisations and the sector as a whole can take action to facilitate a more diverse future commercialisation of real estate.

- **Align non-core income contributions to valuations** – as more buildings generate non-core income from different sources, there is a growing need for clearer frameworks and standards to accurately assess how these income streams contribute to a building's overall value. This requires additional, updated guidance from professional bodies and improved access to data. Additionally, companies require greater collaboration with the government to address structural challenges, such as grid reforms, that are essential for advancing renewable energy provision.

- **Better use of data and technology** – it is important that buildings and the wider sector improve their approach to data to enable effective implementation of non-core revenue generating activities. This is for two reasons. Firstly, to enable the transparency and evidence for these to be included within the valuation process. Secondly, to allow building stakeholders to generate income directly from the data or via data related services. Beyond the use of data, technology is at the heart of many of the sources of additional income including EV charging, solar PV energy generation, building related services such as smart lockers, and improved use of a building through smart apps. Therefore, the sector needs to explore and embrace technology to drive new sources of income.

- **Collaboration** – certain areas of real estate, such as retail, have successfully generated ancillary income for many years. Sharing these experiences and innovative strategies could provide valuable insights and encourage wider adoption of these approaches across other areas of the industry.

- **Improve landlord and occupier engagement** – when landlords and owners explore the commercialisation of

their building, it is crucial that the impact on their occupiers is considered, particularly where tenants derive no direct benefit from the changes. Being transparent and collaborative about new income sources is important to prevent tenant dissatisfaction.

- **Build a long-term robust business case** – for ancillary income to become more than just a 'nice to have', landlords need to integrate it into a well-defined, long term and robust business plan which, when delivered, can help offset falling margins. It is also important to consider the full spectrum of non-core income opportunities, including services, utilities and finances, to maximise potential gains.

ABOUT REVOLVE

REvolve is an Alpha Property Insight initiative. Members of REvolve consist of leading names in the real estate sector which come together to provide unique perspectives on a particular topic. Membership of REvolve demonstrates the members' thought leadership and willingness to explore some of the most pressing challenges that the real estate sector faces in a collaborative way.

Membership does not imply agreement with or endorsement of all of the views expressed in the report. Members provide their own 'Expert View' on the topic.

Each paper is written by Alpha Property Insight and is based on both extensive desk research and a round table discussion with members.

REVOLVE MEMBERS

C L I F F O R D
C H A N C E

Clifford Chance

We think beyond the law and see the bigger picture.

At Clifford Chance we recognise that rapid advances in technology are raising both opportunities and challenges, significantly impacting our clients' business models, their growth strategies and even day-to-day decision making. Our clients are at the forefront of the Real Estate industry and rely on us to help them deliver the biggest and most innovative transactions, and navigate an ever changing legal and regulatory landscape. For the last 9 years, we have been ranked as the top firm for European Real Estate by Chambers and PERE has recognised us as European Law Firm of the Year (Transactions) 12 times in the last 18 years, and when combined with our pioneering technology group which comprises over 600 tech-savvy lawyers located around the world, we lead the way in guiding our clients wherever their real estate strategies taken them. We are uniquely placed in the market, acting across the real estate industry's leading players on all asset classes including office, logistics, hotel, retail, residential, data centres and new communities.

Clifford Chance is one of the world's pre-eminent law firms with significant depth and range of resources across five continents. For further information on our services, visit www.cliffordchance.com

Knight Frank

At Knight Frank, we provide innovative property solutions for our clients that add tangible value and maximise performance, across the full range of real estate services and sectors.

To us, performance is about our people and our clients working together to deliver optimised return on the real estate they touch. We do this by identifying, protecting and augmenting value at every stage of the real asset lifecycle, while considering ESG implications from the outset.

As a partnership, our decisions are made by, and for, our people, focused on the best long-term outcomes, driven by our purpose to work responsibly to enhance people's lives and environments.

LGIM Real Assets

LGIMRA is a division of Legal & General Investment Management (LGIM), one of Europe's largest institutional asset managers and a major global investor. LGIM manages £1.1 trillion[1] in assets, working with a range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

LGIM Real Assets has assets under management of £36.7 billion[2] and is one of the largest private markets investment managers in the UK. Investing in both debt and equity and across the risk/return spectrum, LGIM Real Assets actively invests in and manages assets across commercial, operational and residential property sectors, as well as infrastructure, real estate, corporate and alternative debt.

Taking a long-term view in order to future proof our investments, LGIM Real Assets continues to lead the industry in ESG performance, considering all environmental, social and governance issues at asset level as well as portfolio level.

1 Source: L&G Annual Report and Accounts, 31 December 2023. Worldwide total assets under management include LGIM AUM and other group assets not managed by LGIM. The AUM includes the value of securities and derivatives positions.

2 Source: LGIM Real Assets. AUM data as at 31 December 2023.

re:sustain

re:sustain is accelerating global real estate's decarbonisation at scale. Our Digital Twin technology remotely minimises carbon emissions and lowers energy costs, leading to substantial optimisation improvements, with reductions in consumption ranging from 22-61% over a 12-month period.

Following implementation, our Digital Twin extends its application by delivering CapEx modelling based on your specific building performance data, not generic

benchmarks. This provides a real-time forecast of the measures, potential impacts, and associated costs in your journey to net zero, whilst simultaneously preserving portfolio value, meeting diverse stakeholder goals, and elevating operational performance.

Smart Spaces

Smart Spaces is the multi-accredited and award-winning smart building operating system. Its cloud-hosted Smart Building Platform powers over 75 million square ft. of commercial real estate. The world's leading real estate and occupier brands utilise Smart Spaces technology across a portfolio of alpha-class buildings in prime global locations. The software is currently in 26 countries and growing, it scales with your organisation's needs and is compatible with all major languages.

Rated to Smart Score Platinum, Smart Spaces connect your access control, lifts, HVAC, lights, IoT sensors and more, to provide integrated controls and reporting via a single pane of glass dashboard. The provision of interactive 3D modelling and a workplace app for the building community ensures a world-class smart building experience.

Smart Spaces continually invests in R&D and innovation, it is bridging the physical and digital and is the world's leading white-label smart building employee engagement app. Functionality includes live meeting room and desk booking with community, communications, smart controls, facility management tools and digital twin.

REvolve Partners

REvolve Information Partner: Infabode

Infabode is a free research, news and insights platform for the real estate industry. Used by over 40,000+ real estate professionals Infabode is quickly becoming one of the largest online real estate communities; with content from over 1,000 partners across the globe. Infabode works with businesses to include their research, insights, blogs, news and market analysis on one platform. From the world's most renowned researchers and institutions to smaller, more specialised consultants and bloggers, Infabode connects members with companies posting industry insights - all in one place. Totally customisable, you can search Infabode according to market sectors, region, and/or areas of interest.

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