

Real Estate Sectors and possible social projects

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1. Presentation

Real Estate sector, according to the Urban Land Institute (ULI), include 6 areas or subsectors: residential, retail & entertainment; office; industrial; hospitality and infrastructure, as follows (ULI, 2021):

Graphic 1. Real Estate sectors

Figure 5: Real estate sectors

Residential	Retail and Entertainment	Office	Industrial	Hospitality	Infrastructure
Housing Affordable housing, social housing Shared living: student, retirement homes, co-living	Shopping centres Retail parks High-street retail Leisure, e.g., cinemas, sports facilities	Central business district Neighbourhood Co-working	Manufacturing (factories) Logistics (warehouses)	Hotels Resorts	Transportation Communications Energy Social, e.g., health facilities, schools, community centres Cultural, e.g., art galleries, theatres, museums Data centres

Source: Urban and Land Institute, 2021: 16

In this document, we analyse some possible social projects per area or subsector in Real Estate. We apply the ESG approach considering the “S” or Social Dimension.

To go deeply inside the social dimension, the Sustainable Development Goals will be our background. Please note that some SDGs more specifically related to Governance (“G”) or Environment (“E”) could be excluded from the analysis, as they are out of our scope.

Graphic 2. Sustainable Development Goals (SDGs)



Source: United Nations, 2016

2. Main social concerns in the Spanish society

According to the National Institute of Statistics, the biggest concerns in our society in 2020 include (% of concerned population) see CIS 2021 report (CIS, 2021)¹:

- Unemployment: 59.8%
- Health: 19.8% (in the context of covid-19)
- Economic concerns: 28.7%
- Quality of employment: 15.6%
- Retirement pension: 11.3%
- Social problems: 12.4%
- Immigration: 8.2%
- Education: 7.3%
- Gender violence: 6.7%

3. Possible projects per dimension

3.1. Residential

In the residential dimension, Estabona could implement the following projects:

¹ See full report: http://www.cis.es/cis/export/sites/default/-archivos/indicadores/documentos_html/tresproblemas.html

- **Affordable and Social Housing projects.** Housing is very expensive in Spain nowadays, being out of the reach of many families and individuals. In this respect, there are previous experiences for inspiration, such as BBVA’s Social Housing Project and Social Fund for Homes.

<https://www.bbva.es/estaticos/mult/condiciones-fondo-social-vivienda.pdf>

<https://www.bbva.es/estaticos/mult/Fondo-Social-Vivienda-solicitud.pdf>

Social concerns related:

Unemployment

Social problems

Gender violence

- **Coliving or Cohousing.** Some shared spaces could be offered for vulnerable people: young people, low-income individuals, divorced people, victims of gender violence. Coliving spaces have two main advantages: economic (a cheaper solution) and social (accompaniment). It can also involve sharing entrepreneurial experiences for young people. Coliving usually corresponds to urban areas and cohousing is more related to the countryside.

Examples:

Coliving: <https://www.thecollective.com/>

Cohousing: <https://www.residencialpuertodelaluz.com/>

Social concerns related:

Quality of employment

Retirement pension

Social problems

Education

- **Retirement homes.** Considering the aging of the population in Spain, any service aimed at the elderly will be necessary today in the immediate future. This can include retirement homes, day centres for seniors and other home-rendered services for the elderly (health, caring, cleaning, accompaniment, etc.). The project “Adopta un abuelo” (“Adopt a Grandfather/mother”) is very inspirational for emotional caring:

<https://adoptaunabuelo.org/>

Social concerns related:

Health

Economic concerns

Retirement pension

Social problems

3.2. Retail and Entertainment

In the retail and entertainment dimension, Estabona could implement the following actions:

- **Shopping centres and retail parks** (its core business). In this respect, we could enlarge it by adopting some opportunities for vulnerable groups (elderly, unemployed, others). For example: discounts, a free day at the shopping centre, free activities, meeting points

or coworking, meeting points for young people, free internet areas to work or leisure, etc.).

- **High-street retail.** Similar applications. For example, in case of gender violence, women usually need to feel well again, some beauty programmes, fashion itineraries, etc. could help them to recover sooner.
- **Leisure (cinemas, sports and facilities).** Leisure activities are enormously positive to recover from post-traumatic stress. Therefore, different programmes could be implemented for vulnerable groups: low-income families, children suffering violence or poverty, women suffering gender violence, elderly who feel lonely... These programmes could be varied: leisure activities, sports or enjoying one day-out.

Social concerns related:

Unemployment

Health

Economic concerns

Retirement pension

Social problems

Gender violence

3.3. Office

In this dimension, Estabona could implement the following initiatives:

- **Central business district** Set new CBD in scattered areas to reduce stress and improve quality of life. In the CBD traditional areas implement activities to make life easier, for example: traditional markets and shops, gardens and parks. In the new scattered areas set up new business centres based on bigger and natural spaces. Some examples: Google Headquarters in Mountain View

Social concerns related:

Health

Social problems

- **Neighbourhood.** In Spain, the commonest problems in poor communities are: poverty, inequality, violence, hunger, marginality, unsafety, drug trafficking, squatting and mobility limitations. One of the key aspects is security. As far as security is stronger, most of the previous problems can be minimised. Estabona could implement a surveillance project in marginalised communities and a social office to concentrate claims or queries to transmit them afterwards to public authorities. A social educational initiative could also be defined to help young people with talent to overcome this marginalised ambience.

Social concerns related:

Unemployment

Health

Economic concerns

Quality of employment

Social problems

Immigration
Education

- **Coworking.** Analysed in section 3.1 and section 3.5.

3.4. Industrial

In the industrial dimension, Estabona can implement the following projects:

- **Manufacturing** (factories). In factories, social benefits for employees are a must. Estabona could implement a kind-of social assessment for manufacturing companies to define possible social benefits for employees. There are many social benefits a company can offer, such as: discounts, transportation, nursery, medical insurance, free or cheap food and drink, ind-kind payments ... Most of these social benefits involve tax discounts/reliefs for companies in Corporate Tax. They also have the advantage of retaining employees and increase productivity.

A second possible project could be vocational training for young people. Considering youth unemployment in Spain, vocational training activities in factories –in alliance with universities and vocational training centres –could contribute to enlarge opportunities for young people. This can be related to varied industries: automotive & technology, textile, food industry, etc. Youth employment in Spain raises to 42% in 2021 -including people ranged from 16 to 24- (INE, National Institute of Statistics, 2021). Projections show that 49% of total job offer in Spain by 2025 will require a background in vocational training. Some companies applying this kind of projects i.e. Heineken, Holcim, Citroën.

Social concerns related:

Unemployment

Economic concerns

Social problems

Education

- **Logistics** (warehouses). In warehousing, many initiatives can be carried out. One of the most outstanding in Spain nowadays is related to Banco de Alimentos (Food Bank). The Spanish Federation of Food Banks (FESBAL) launches “The Big PickUp” initiative in November every year to collect food for vulnerable people. Many companies participate by providing food, transportation, energy or warehousing for free. In this respect, Estabona could be part of this succesful initiative by providing warehousing areas, cash, or free tickets for consumption at its shopping centres and restaurants. The pandemic crises has left many people at risk of poverty and social exclusion, particularly 26,4% of the Spanish population is under this risk in 2020, according to the European Anti-Poverty Network (EAPN) (EAPN, 2021)².

Social concerns related:

Unemployment

Economic concerns

Social problems

² See full report on: https://www.eapn.es/ARCHIVO/documentos/documentos/1631255247_informe-paisaje-abandono-eapn_vf.pdf (03.10.2021). INE or National Institute of Statistics has also assumed this data, see press report on: https://www.ine.es/prensa/ecv_2020.pdf (03.10.2021).

3.5. Hospitality

The use of hospitality infrastructure for social purposes has already been tested during the pandemic.

- **Hotels.** Hotels have hosted the sick, health personnel, homeless people during the pandemic. Large hotel companies have granted their installation for social need in Spain i.e. Meliá, Room Mates, Palladium, Ilunion, Catalonia, Soho, etc. During the La Palma crisis due to the volcano eruption, they are also contributing to host people who had to leave their homes.

Another social use could be linked to provide a place to work, study or meet (“hybrid hotels”). Nowadays, hotels are being used as coworking places under a rental contract, which can involve up to 20% of their total income (Colliers International, 2020)³.

Social concerns related:

Health

Economic concerns

Social problems

- **Resorts.** Resorts include more green, leisure and sport areas. For social purpose, they could be used as follows:
 - Health and post-operative recovery in general.
 - Training place for disabled people (i.e. Down-Syndrome physiotherapy, tetraplegics recovery after a car crash...).
 - Leisure activities for vulnerable people (i.e. football, skiing, padel aimed at poor children; outdoor activities or social activities for women victims of gender violence).
 - Job opportunities for the vulnerable (MENAs, disabled, women victims of gender violence, long-term unemployed people, people over 50... in gardening, golf and sport activities, maintenance, security...).
 - Retirement homes or Open day centres for the elderly. Young people, long-term unemployed could work for the elderly i.e. in caring, reception desk, leisure activities, etc.

In case some of the potential customers cannot cover the services (i.e. low-income) some discounts or for-free services could be offered.

Social concerns related:

Unemployment

Health

Economic concerns

Quality of employment

Retirement pension

Social problems

Immigration

Education

Gender violence

³ See Colliers’ report on: <https://www.colliers.com/en-es/research/hybrid-hotels> (03.10.2021).

3.6. Infrastructure

With respect to infrastructure, we can mention: transportation, communications, energy, social, cultural and data centres.

- **Transportation.** Transportation is becoming a big social concern due to high fuel prices. The raise in fuel prices is limiting many daily activities, such as: travelling to work/school, tourism, spare-time activities, etc. This means that vulnerable people have more difficulty in carrying out this daily activities. In this respect, some social initiatives can be developed, such as: providing transport to work or go to school, to the shopping centre, to travel, to do some tourism or to do spare time activities. Some shopping centres have run a free bus for customers to go to and from the centres. This could be combined with tickets to buy, watch a film, have something to drink for the most vulnerable. Some activities could also be implemented at the shopping centers linked to the transportation, i.e. a start-up day, a youth meeting, workshops, sports activities, etc. For the most vulnerable, for free, for the rest, by paying a ticket.

Social concerns related:

Economic concerns

Social problems

Education

- **Communications.** Internet is not accessible for all, as it requires a good connectivity and a device. At the same time, it is key for human activities: connecting, learning, travelling, studying, obtaining information, etc. A good initiative to boost communications from a social point of view would be providing internet access and/or a device. Internet can be provided at any infrastructure i.e. at the shopping centres by creating a studying/reading area and devices can be granted or provided at lower prices for people in need (i.e. providing lap tops to students). A good initiative would be setting-up these studying/reading places at certain points (airports, train, metro stations, shopping centres, schools, etc.) and providing them with seats and computers of free use (a kind-of coworking-reading-conference room areas at the shopping centres). A good inspiration could be the Google Campus in Madrid⁴. Communications can also be applied to safety (i.e. for the elderly as a mechanism to ask for help in emergency situations or for women victims of violence to ask for immediate help). In this respect, some insurance companies have applied this type of projects, such as the insurance company Mapfre⁵ for the elderly or Alexa by Google⁶ for women victims.

Social concerns related:

Health

Economic concerns

Social problems

Education

⁴ See https://www.campus.co/intl/es_es/madrid/ (03.10.2021).

⁵ See <https://www.hogar.mapfre.es/hogar/seguridad-en-casa/teleasistencia-personas-mayores/> (03.10.2021)

⁶ See <https://olhardigital.com.br/en/2021/04/28/pro/brasileira-cria-skill-da-alexa-contra-violencia-domestica/> (03.10.2021).

Gender violence

- **Energy.** Energy is becoming a great concern among the vulnerable. Considering the raising prices of gas, electricity and rampant inflation in general, energy will become a luxury among certain social groups, suffering from ‘energy poverty’, which means: people being unable to assume energy costs. To provide this group with support, some actions can be taken:
 - Advising on energy saving at home (installation, use, replacing home appliances, home insulation...).
 - Energy check to pay monthly energy costs.
 - Cash aid.
 - Training activities on energy-cost saving.

Social concerns related:

Economic concerns

Retirement pension

Social problems

Immigration

- **Social** (health facilities, schools, community centres).

Health facilities. In health, many initiatives can be carried out. For example, applying the WHO programmes on health on cancer, impact of climate change on health, healthy life, tobacco control measures, stress prevention, etc. the programmes can be provided at health centers or at another places, such as schools and universities, retirement centres or working places.

School. At school we can boost cooperation and general understanding of social problems among children (awareness). Boosting social consciousness is key at an early age (training activities). It is also necessary to face social need among scholars and their families (i.e. payment of school fees or access to transportation or food if necessary). Estabona could cover or contribute to cover these needs. A common project could be created at schools, where middle and upper-middle class families could create a monetary fund to pay for the basic needs of the poorest (transport, school fees, maintenance, etc.) Estabona could also contribute to the fund, altogether with other real estate companies.

Community centres. At community centres, many social, leisure, sport, outdoor activities can be done. This is an excellent way to boost social life and give support to the vulnerable. A good way to energize these centres could be organizing activities per preferences or segment groups at the community centers (i.e. for the elderly, young people, women victims, etc.). A social dynamization would be necessary to guarantee participation, particularly in a post-covid world.

Social concerns related:

Health

Economic concerns

Social problems

Education

- **Cultural** (art galleries, theatres and museums). Socio-economic concerns are linked to post-traumatic stress, anxiety, stress and depression in general. Therefore, leisure activities are an excellent way for vulnerable people to recover and be more optimistic. Visiting art galleries, museums, theatres, cinemas and leisure activities in general (tourism, travelling, partying, sports...) can contribute to counteract stress. Some leisure activities can be offered to vulnerable people (from the economic or psychological point of view, this means: for people with income limitations or for people with an adequate income level, but suffering stress or other psychological needs). For the vulnerable, the activities can be granted for free, for people with the right economic level, a payment can be set.

Social concerns related:

Unemployment

Health

Economic concerns

Quality of employment

Retirement pension

Social problems

Immigration

Gender violence

- **Data centres.** With respect to data centres, training and employment can be offered to the vulnerable. According to Arcadis, Spain –Madrid in particular –is the best place in the South of Europe to invest in data centres. This involves an excellent opportunity to enlarge socio-economic response (Arcadis, 2021)⁷. According to IMF Business School, 3 million jobs will be offered in the technological sector in Spain alone in the next decade.

Social concerns related:

Unemployment

Economic concerns

Quality of employment

Social problems

Immigration

Education

Gender violence

3.7. Transversal projects

In this respect, some transversal interventions could be offered. By ‘transversal’ we refer to social projects involving two or more of the above-mentioned dimensions.

- **Humanitarian action.** Due to the volcano eruption in La Palma, some companies have offered their infrastructure as a shelter for displaced people. This social project for emergency aid could also be considered in flood, volcanoes or other natural disasters.

⁷ See full report: <https://datacenters.arcadis.com/locationindex> (03.10.2021). For further information see <https://www.eleconomista.es/empresas-finanzas/noticias/11114745/03/21/Espana-esta-en-el-foco-de-inversion-de-los-centros-de-datos.html> (03.10.2021).

This initiative could be applied to all the above-mentioned dimensions (sections 3.1 to 3.6). The role of business in humanitarian action is becoming really strong in the last few years.

Social concerns related:

Health (and life!)

Economic concerns

Social problems

- **Technology training.** Technology is the core issue of 4.0 revolution. Therefore, training in technology –applicable to the real estate sector –can be and excellent opportunity for vulnerable social groups: unemployed, young people, women, people over 50, disabled, immigrants, etc. This can imply a shared value initiative, as businesses can make profit while solving social problems. Just to provide an example, SAP is implementing “Autism at Work” programme according to which, SAP trains people with autism to test IT programming codes⁸.

Social concerns related:

Unemployment

Economic concerns

Social problems

Immigration

Education

Gender violence

4. Conclusions

There are numerous initiatives that Estabona could carry out in the social real estate sector to cover main social concern. According to the previous analysis and by connecting the presented initiatives with the big social concerns, we obtain the following matrix of impact:

⁸ See: <https://www.sap.com/about/careers/your-career/autism-at-work-program.html> (03.10.2021).

Graphic 3. Matrix of Impact. Social Dimension in the Real Estate Sector

		Social problems							
		Unemployment	Health	Economic concerns	Quality of employment	Retirement pension	Social problems	Immigration	Education
1	Residential								
	Affordable & Social housing								
	Coliving and Cohousing								
	Retirement homes								
2	Retail & Entertainment								
	Shopping centres								
	High-street retail								
	Leisure								
3	Office								
	Central business district								
	Neighbourhood								
	Coworking								
4	Industrial								
	Manufacturing								
	Logistics								
5	Hospitality								
	Hotels								
	Resorts								
6	Infrastructure								
	Transportation								
	Communications								
	Energy								
	Social								
	Cultural								
	Data centres								
7	Transversal projects								
	Humanitarian action								
	Technology training								

Source: Casas, 2021