

REDEFINING REAL ESTATE

Excelling in real estate
with strategic tax advisory

evelyn
PARTNERS

Welcome to Evelyn Partners

Evelyn Partners is a leading advisor to businesses in the real estate industry.

We can help with a wide range of your business needs and assist in fulfilling your growth and investment ambitions.

Clients include specialists from the full property lifestyle cycle and complementary industries, including strategic land providers, developers, investment companies and corporations (including FTSE 100 and 250).

Our work with real estate businesses across the supply chain means we have the knowledge and expertise to support you with your requirements, such as navigating environmental, social and governance (ESG) risk and compliance and managing tax opportunities.



Who we work with

Our dedicated team of real estate tax and financial and transaction specialists provides a breadth of services to clients across the entire property landscape, including:

Our
clients



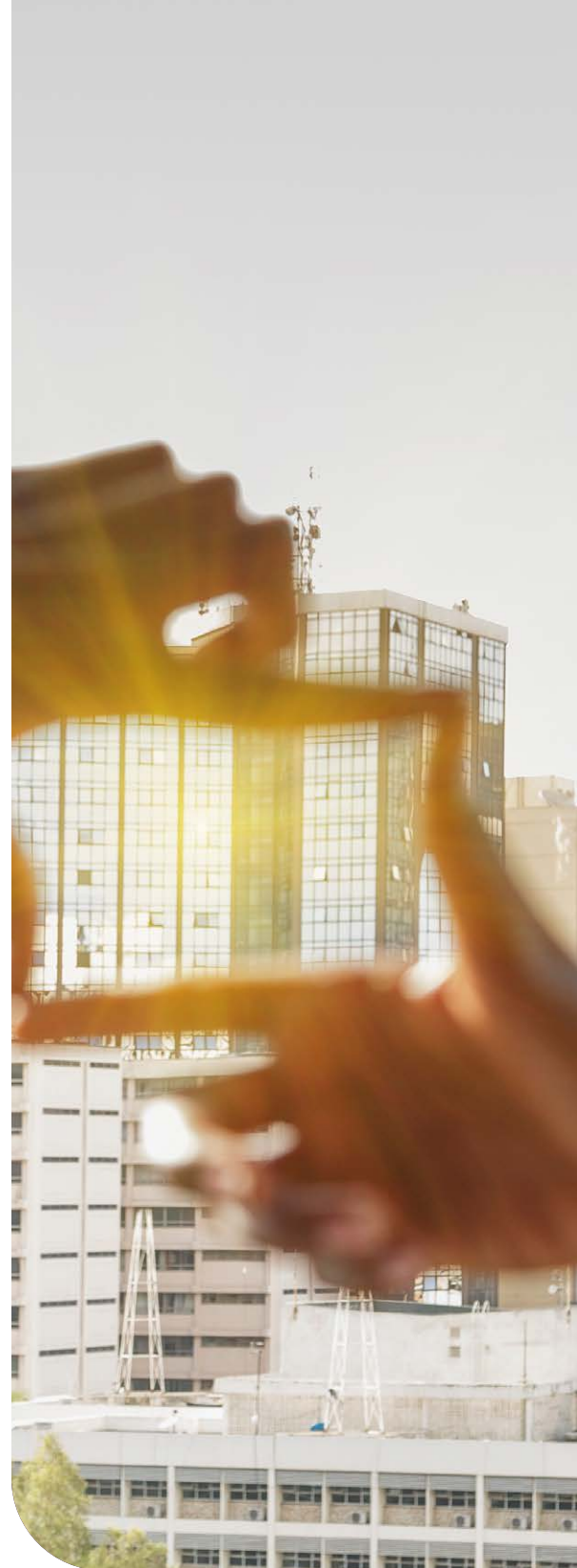


Global economic challenges

For years, the property industry enjoyed an environment where a more relaxed monetary policy kept asset prices high and the cost of debt low. It was one in which the sector thrived, but it's now grappling with the consequences of interest rates hiking in quick succession and remaining higher for longer.

Access to finance is essential for most property transactions, large or small, but **with rates increasing significantly, financing costs have escalated.** Lenders have become more selective, so **financing is more difficult to obtain**, particularly for smaller property owners and developers

- Real estate developers and construction companies require a steady flow of funds to finance their projects, **paying for materials, wages, contractors and other operating expenses**
- The property sector is still grappling with **legacy challenges from the Covid-19 pandemic**. We're acutely aware of how all these factors can affect the bottom line
- **Changing working patterns** as a result of the pandemic has also had an impact on the real estate industry, with fewer staff members returning to the office and changing working patterns
- According to the latest research*, **office occupancy levels in the United Kingdom settled at 31.7%** in early November 2023. It means investors in the office market need to remain adaptable and consider the current and future impact of any potential surge in **vacancy rates**.



** News Release: Offices see fluctuating occupancy levels: latest from Remit Consulting's UK study*

The real estate industry

Our work with a range of real estate and construction companies means we're close to the issues that matter to you and your business. This enables us to offer tailored advice to support you in your day-to-day activities as well as any special projects or transactions.

We are aware of the current challenges, particularly when it comes to managing Environmental, Social and Corporate Governance (ESG) risks, keeping abreast of technological advancements, global economic headwinds, dealing with the legacy issues from the pandemic and complying with the latest regulations.



ESG Risk

ESG risk has become a crucial factor influencing decision making and valuations. Commercial real estate organisations must address environmental concerns such as climate change, carbon emissions and energy efficiency.

Investors and tenants are increasingly looking for environmentally sustainable properties. Environmental concerns revolve around the impact of a property on its surrounding environment, energy efficiency and waste management.

Failure to comply with ESG regulation could expose investors to potential legal and regulatory repercussions. As sustainable practices and green building standards become more important, commercial properties that fall short of such standards could be in danger of no longer being financially viable.

Property tech advancements

Commercial real estate firms must keep up with the latest advancements and invest in the right technology to improve customer service and project management and streamline operations.

Various startups and established organisations offer PropTech (property technology) solutions for landlords, tenants and investors. The PropTech market has grown rapidly - estimates put its current value at more than £14bn and is forecast to reach around £71bn by 2032*. While there are a variety of PropTech specialists in the UK – one report** says there are over 400 operators – it's important to ensure that you partner with the right provider for your business.

The need for environmentally sustainable buildings has been increasing, requiring new construction methods and the use of more advanced and sustainable technologies. This has also contributed to the surge in investment in the UK PropTech sector as startups try to enter the real estate space to solve sustainability, logistics, construction, robotics and workplace wellbeing issues.

We're collaborating with partners to develop innovative ways of using PropTech to future-proof their businesses and assets. We're keen to explore how we can support you in a similar way.

** Top Proptech Companies and Startups To Check Out – Art Division*

*** REdirect's Stephanie Feigenbaum on what the UK proptech sector can learn from the US | Insight | Property Week*

Evelyn Partners service offerings

Evelyn Partners offers a breadth of services to our real estate industry clients throughout the lifecycle of property ownership, from acquisition to exit. Our experienced team of real estate tax and financial and transaction specialists provide a wide range of services, including:

Transactions and advisory due diligence

Our tax and transaction services teams can provide tax and financial due diligence in relation to corporate acquisitions.

- We can advise on everything from asset or portfolio acquisitions and disposals, and transaction structuring, to analysis and support for all real estate decision-making
- We help our clients through acquisition, vendor and commercial due diligence, together with specialist services such as financial modelling
- We can review Sales and Purchase Agreements (SPAs) from a financial and tax perspective and assist in several other areas, such as reviewing accounting policies to agree the purchase price mechanism and identifying and quantifying tax risks



We also have significant experience in providing tax and financial structuring advice on acquisition and holding structures, including choice of a holding jurisdiction, as well as shareholder equity and debt and third-party debt financing.

Tax advisory and compliance

Complying with tax laws and regulations in a constantly changing environment is a challenge that businesses face daily.

- We can help you navigate all stages of the tax compliance lifecycle, whether it's preparation, management or execution of tax filings
- We also have significant experience in streamlining your reporting processes and procedures and identifying cutting-edge technologies that can make your tax operations more effective, accurate and compliant.

Audit and Assurance

- We are a leading advisor to businesses in the real estate and construction sector. Our clients span the full property lifecycle and complementary industries
- Whether preparation of your financial statements are under IFRS or FRS 102, you are single entity or part of UK or international groups, our audit and assurance and tax teams work together closely to support you strategically whilst helping you meet all of your compliance needs.

Financial reporting for ESG

With reporting requirements increasing, we can provide support in a number of areas:

- Conducting an independent review of current climate-related disclosures against UK regulatory requirements and other reporting frameworks and standards, for example, the Financial Stability Board's (FSB) Task Force on Climate-related Financial Disclosures (TCFD) and the IFRS's International Sustainability Standards Board (ISSB)
- We can also help with benchmarking against peers and offer recommendations around areas of improvement and support in preparing the relevant climate-related financial disclosures

Research & Development (R&D)

Our specialist R&D team have worked with many property developers and construction businesses who have pioneered alternative construction methods to identify and maximise their R&D claims on qualifying expenditure.



Capital allowances (tax relief for capital expenditure)

Businesses that incur capital expenditure can claim tax deductions for qualifying capital expenditure. We can help identify and maximise your claims, providing insight into the risks and opportunities and advise on how to preserve and unlock previously unidentified tax relief.

Business rates

Our business rates advisory team can help ratepayers identify opportunities to challenge valuations and maximise savings.

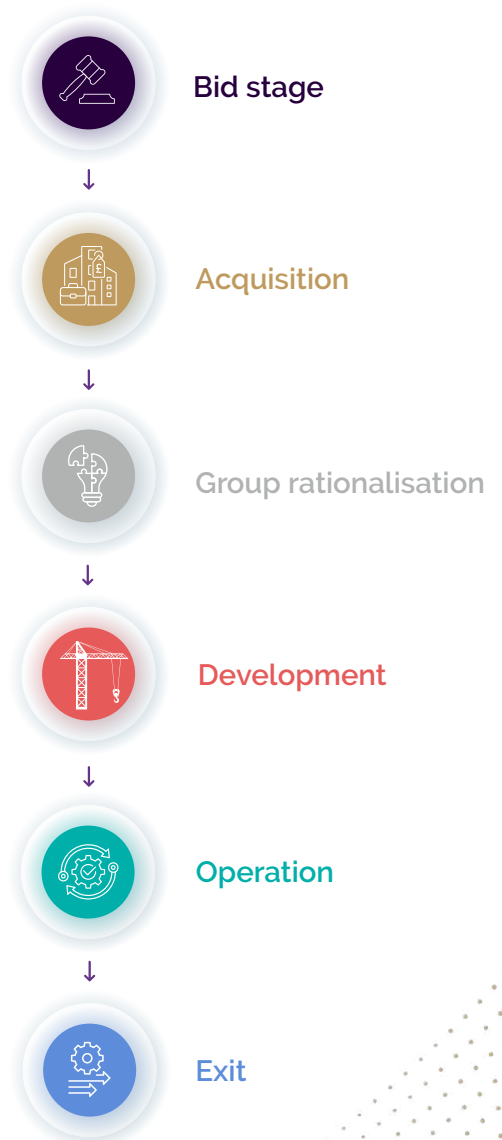
Restructuring Advisory

Our restructuring team works with landlords when a tenant requests a rent deferment, write off, debt rephasing or re-gear. We seek to agree a bi-lateral engagement and review the historical and forecast performance of the tenant business with a view to assessing financial viability, robustness of the financial forecasts and ability of the tenant to service past & future rent repayments.

Our service offerings

- Transaction and advisory due diligence
- Tax advisory and compliance
- Research & Development
- Capital allowances
- Business rates
- Audit & Accounting advisory
- Restructuring and recovery services
- Business outsourcing services
- Company secretarial services

Investment lifecycle





Why choose Evelyn Partners?

We are the UK's leading integrated wealth management and professional services group*. We look after our clients' combined wealth and tax needs (personal and business).

Our real estate team will help you to meet your financial goals, listen closely to your needs, and deliver straightforward impartial advice and actionable strategies based on our judgement and expertise. Our specialists have the capabilities and experience to advise and support those operating in the real estate sector.

Whatever your challenges or growth aspirations, we're here to help.

** With £59.1 billion of assets under management (as at 1 January 2024), Evelyn Partners ranks as one of the largest UK wealth managers by client assets and is also the seventh largest accountancy firm ranked by fee income (source: Accountancy Age 50+50 rankings, 2023).*



Have a question about ESG?

Book a complimentary ESG Health Check with our specialists.

You will be guided by our team of experts who understand the challenges that come with assessing ESG risk and meeting ESG industry standards. Keeping abreast of the risks and standards is vital to achieving your strategic and commercial objectives.

Email us at contact@evelyn.com or visit www.evelyn.com/industries/real-estate to book your complimentary session.



www.evelyn.com

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