

Christina Ofschonka

Meet AEW's Head of Germany & CEE and member of AEW's Executive Committee, who shares her insights on leadership, international careers and Europe's most attractive asset classes.

“Did you choose real estate or did it choose you?”

It chose me. At university I studied Business Administration and Law, and my initial plan was to go into a career in tax. Then one day a professor asked: “have you considered real estate?” That was the moment when I started thinking about a career in the sector and doing some research. After a semester working in the real estate team of a pension scheme, I was impressed with both the variety of tasks and depth of knowledge and involvement. This experience stuck with me and my diploma thesis focused on analysing real estate investment funds in a structured, investor-focused

way. The variety and depth of the industry have driven me ever since. One moment I'll be zooming out, analysing big picture numbers and looking at the economics, and the next I'll be immersing myself in the market dynamics of a specific micro-location.

If you weren't working in real estate, what would you be doing?

I truly enjoy the people element of my role, working with my team and understanding people, so I might have been a coach. Alternatively, perhaps a career involving languages, such as a Diplomat. I've learnt through my career that one of my strengths lies in management – I like to think

of myself as a high energy person, performing well under pressure.

You have taken over the helm of AEW's German and CEE business from Stephan Boenning – who set up the business arm 18 years ago. How did you prepare for stepping into his shoes?

I've worked closely with Stephan for the past nine years and that has been really inspiring. AEW also offered me external coaching which I happily accepted and started before I took the role. That has been incredibly helpful in providing me with an independent sounding board, a trusted environment in which to discuss ideas and has helped me structure my thoughts.

What are your secrets for a successful succession planning?

Effective succession planning is essential. In my case, Stephan's early notice of retirement gave us over a year to set milestones, begin coaching, and keep teams and investors informed. Our aim was to give all our stakeholders a clear view of what to expect. We had several months of overlap which allowed for a smooth transition, with Stephan gradually stepping back as I took on more responsibilities, ensuring continuity for all stakeholders.

What advice would you give to women in the industry looking to step up into a leadership role?

Be yourself and don't try to copy anyone, whether they are male or female. Learn by observing situations



throughout your career and reflect on your actions. Ask yourself: would I do that again? Did this work out the way I thought? Dare to raise your voice, trust that you can do it and fight the imposter-syndrome. Having an authentic vision is at the heart of leadership.

Work from home, work from office or hybrid?

Hybrid. It's essential to get the balance right. Boundaries in the white collar jobs sector have blurred and businesses need to offer flexibility to appeal to employees. At the same time, organisations also need to make sure that communication in the work environment does not get stuck in dead ends. Fostering a company spirit, values and collaboration are still as important. It's much harder to learn by example if you are not sitting just one desk away from colleagues or mentors.

How do you maintain a good work/life balance?

It's a constant work in progress. The huge amount of responsibility I have from being in a management position, as well as being a mum, can sometimes make a good work/life balance more challenging. There are weeks and times where balance is the noble goal but not fully realistic. I find the sports analogy helpful here: life is a marathon and you need to make sure that you can fulfil the full distance. So, without rest, a sport or other hobby, your batteries will empty sooner – but that's the theory, putting it into practice is another matter.

What can't you leave the house without?

My headphones—I love listening to podcasts. One of

WORDS OF WISDOM

What advice would you give to your younger self?

Rely on your intuition and be patient with yourself.

Name one book (or if you prefer, song/movie) that changed your life?

"All the colours of life", a very touching illustrated book by Lisa Aisato. I would also mention a book I first read as a student and which I always come back to, "The situation is hopeless but not serious - the pursuit of unhappiness" by American-German psychologist Paul Watzlawick. I've recommended this book, which includes observations on how and why we think in certain ways, behavioural patterns and anecdotes from everyday life, to so many people.

my favorites is *Alles gesagt*, an "endless" German podcast where interviews with exceptional figures, from politicians to scientists, continue until the guest decides that everything has been said. A standout episode for me was with former NASA Science Chief Thomas Zurbuchen. Another go-to is *Acquired*, which looks into the stories behind major companies and shares insights that founders, operators, and investors can apply.

How have you seen DE&I in the workplace change in the last 5 years?

There's much more awareness in the workplace than there was five years ago, which is very encouraging to see, but there's always room for improvement.

How do you balance people (human impact) with profit?

For me people are key, and one thing I like most about my job and position is to enable people, to help them grow in a way that suits them. I have a lot of respect for the time, effort and passion our team puts into their jobs and I try to lead by example. In the end we are a business, but motivating our people is essential.

What do you think the real estate industry needs to do more of to promote and retain diverse leaders?

The industry is still seen as very traditional and as an industry there's still much to do to attract diverse talent. I lecture once a year as part of a master's programme at a university, and I'm really encouraged by the mix of students. In my view we should be starting at the beginning, encouraging

students from all backgrounds who will one day become the leaders of the sector.

You have spent time working in Milan, Paris and Germany during your career – what advice would you give to those looking to move to a new city / country as part of their wider experience?

Be humble and be brave. Inform yourself of the culture and habits of where you are living, whilst at the same time acknowledging that you will face surprises and unexpected situations along the way. Be open to meeting new people, make an effort also by studying and communicating in the local language. Accept the fact that it will take time to become a local and build your very own network of friends.

What was the biggest challenge when adapting to a new city or culture?

Every time I've moved location, I have spent time outside of my own comfort zone, but as a result I feel like I have grown as a person and have learned a lot about myself, the culture I grew up within and other cultures too, which has been an enriching experience. It's also easy to forget that life at home continues without you, so it's important to keep in touch.

If you could take one place from any other city you've lived in and put it in Frankfurt, what would it be and why?

There was this one ice cream place in Milan called Choccolato close to Castello Sforzesco, which sold homemade ice cream cones and the best ice cream ever. To die for . . . ”

MARKET FOCUS

Given the rising interest rates in the market, how are you futureproofing AEW's core strategies whilst still securing returns for investors?

We use a very conservative level of debt across our core strategies, and no floating rate debt, underpinning secure income streams. This prudent, long-term approach to debt financing, as well as high quality asset selection are important.

Which European geographies are most interesting to invest in right now? Why?

Our research team has conducted extensive analysis across almost 200 European property sectors, the latest findings of which were published in AEW's 2024 mid-year outlook report in April this year. According to that research, an increasing number of European markets are becoming attractive on a relative value basis as the recovery has started. This analysis compares the required rate of return and the expected rate of return over the next five years. On this measure, Germany remains one of the most attractive European markets together with Benelux. UK and France also are more attractive than the overall European average. On a projected prime total returns basis, the research showed the UK as ranking top, driven by higher current yields and stronger forecasted yield compression compared to other geographies.

Which asset class do you think will bring the most downside protection in the next 2-5 years?

We have a strong conviction in the beds and sheds market, but the key to our investment thesis is focusing on underlying demand driven real estate. We adopt a bottom-up approach to analysis on an individual asset basis, understanding why it's creating demand and assessing whether it will create demand beyond the current lease.

Having risen through the ranks to Head of Germany and CEE, what advice would you give to those looking to branch out into a wider geographical focus?

My advice would be, do good research, rely on people on the ground, spend time understanding the market dynamics and market behaviours.

What asset classes are most interesting to the German investment market right now?

We see strong potential in the German residential sector, particularly in cities like Frankfurt, Berlin and Munich. These cities are sought after due to population growth and housing shortages. Demand for rental properties is also rising, particularly for high-quality units that cater to young professionals and families, which are located in desirable neighbourhoods with strong public transport links. Logistics is also another highly attractive asset class in Germany, driven by e-commerce growth and supply chain demand. Germany's central location in Europe makes it an ideal hub for logistics. Well-located logistics facilities are necessary for serving densely populated urban areas and are increasingly incorporating sustainable features and energy-efficient systems. In particular, last-mile facilities are becoming a key focus as urban populations continue to grow and consumer expectations for rapid delivery rise.