

Real Estate View Newsletter - June

June 2025

IN A NUTSHELL

- Are you seeing real estate allocations shifting in favour of Europe and APAC? The answer was often yes.
 - At May's IPE Real Estate Global Conference in Copenhagen, a pool of attendees showed over 75% planning to increase allocations to Europe and APAC.
 - Europe and APAC are not being seen as the best of a bad situation, but as attractive investment destinations.
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Are investors shifting real estate allocations to Europe and APAC?

The events of the past few months have added grey hair to my beard, and not just because of the market volatility. If you've been following my movements on LinkedIn, you would have seen far too many pictures of me going country to country, meeting clients and industry professionals, discussing the state of, and the outlook for, the global real estate market.

During my travels, there's been one question I asked everyone. Are you seeing real estate allocations shifting in favour of Europe and APAC? The answer was often yes.

This view clearly presented itself at May's IPE Real Estate Global Conference in Copenhagen. A poll of attendees (see below), which included many leading real estate investors and managers, showed over 75% planning to increase allocations to Europe and APAC. This came even before the passing of the "One Big Beautiful Bill Act", and Section 899 with its potential tax implications for overseas investors into the US. By INREV's North American Conference in New York on 4 June, the act was front of mind, again pushing investors in the direction of Europe and APAC.

However, one thing has become clear. The US is only part of the equation. Fiscal stimulus, domestic and international migration, low vacancy, reduced development, falling interest rates, a healthy yield spread, and real estate markets that are still only in the first stages of recovery, were all mentioned as reasons to allocate to Europe and APAC. This is important. Europe and APAC are not being seen as the best of a bad situation, but as attractive investment destinations in their own right.

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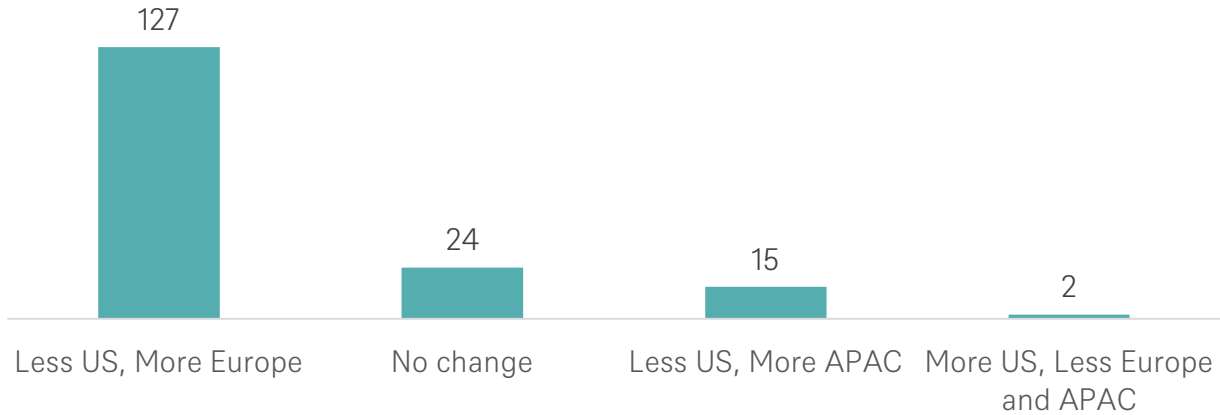
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Poll of IPE Conference Attendees on 22 May 2025

Respondents to Question – “How has your view of preferred geographic allocations changed since 31 December 2024?”



Source: IPE (Investments and Pensions Europe) is a premier event in the institutional real estate investment sector, attracting senior global real estate investors. Conference for global investors, May 2025. (IPE Real Estate Global Conference & Awards 2025)

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