

Intelligent Investment

European Investor Intentions Survey 2026

REPORT

CBRE RESEARCH
FEBRUARY 2026

CBRE



Foreword

In the 2026 edition of CBRE's Investor Intentions Survey, respondents expressed continued optimism regarding European property markets. Key factors underpinning this sentiment include the ongoing decline in debt costs and the continued stabilisation of pricing levels.



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While wide bid-ask spreads remain the perceived market challenge, most respondents still expect to increase in both purchasing and selling activity this year. Respondents also indicated that pricing levels are more stable than last year, signalling that price convergence is already underway.

Our 2026 survey highlights several notable shifts in investor sentiment. Among the most significant is the rise of Spain and its major cities, which have moved to the top of preferred cross-border investment destinations. As in previous years, responses from Limited Partners (LPs) and General Partners (GPs) were analysed separately, uncovering material differences in perspective. This year's survey also expanded its scope to explore how investors are approaching sustainability, including value-creation strategies and progress toward net zero commitments. These new insights reveal a high level of ambition across the industry.

In 2026, deal flow is expected to increase as investors implement creative strategies and target up-and-coming locations. The year ahead is expected to mark an acceleration in the recovery of European property markets, supported by the strong investor sentiment reflected in the survey.

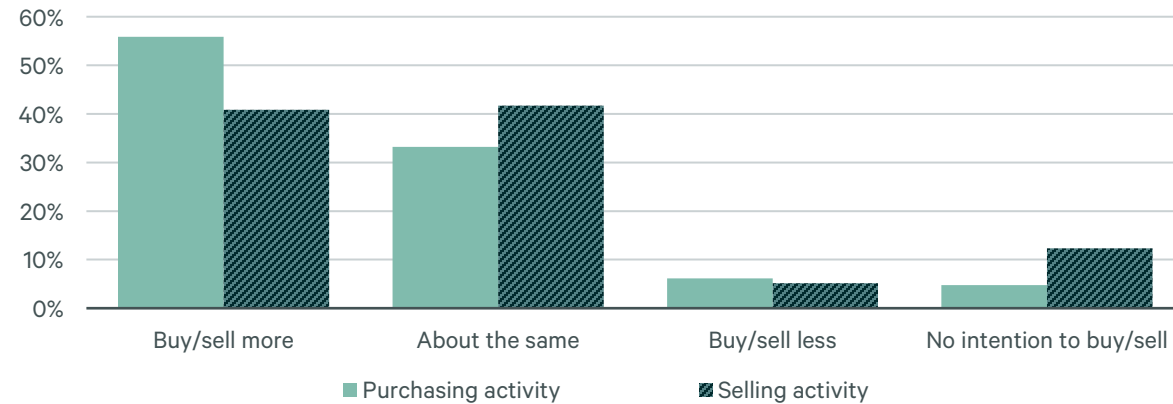


European Investor Intentions Survey 2026 Highlights

Investment activity to increase in 2026

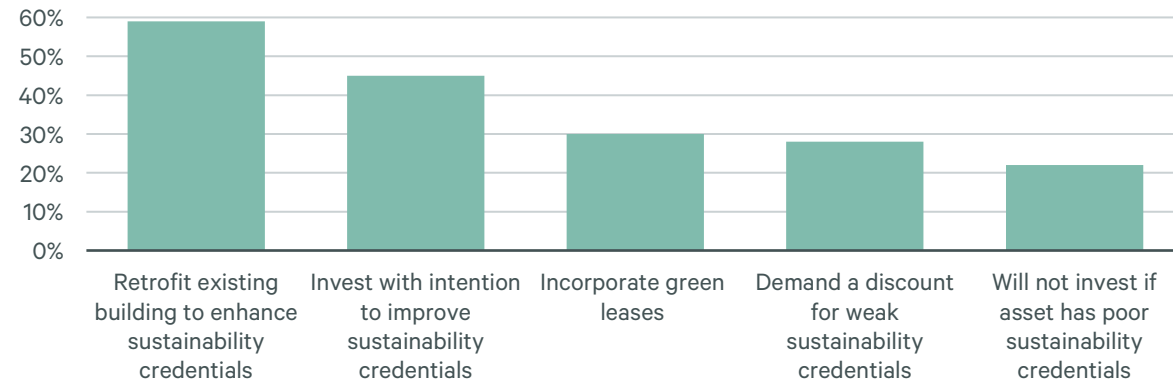
89% of investors will maintain or increase buying activity

% of respondents expecting buying/selling activity to change relative to 2025



Respondents continue to see sustainability-aligned retrofitting as means of value creation

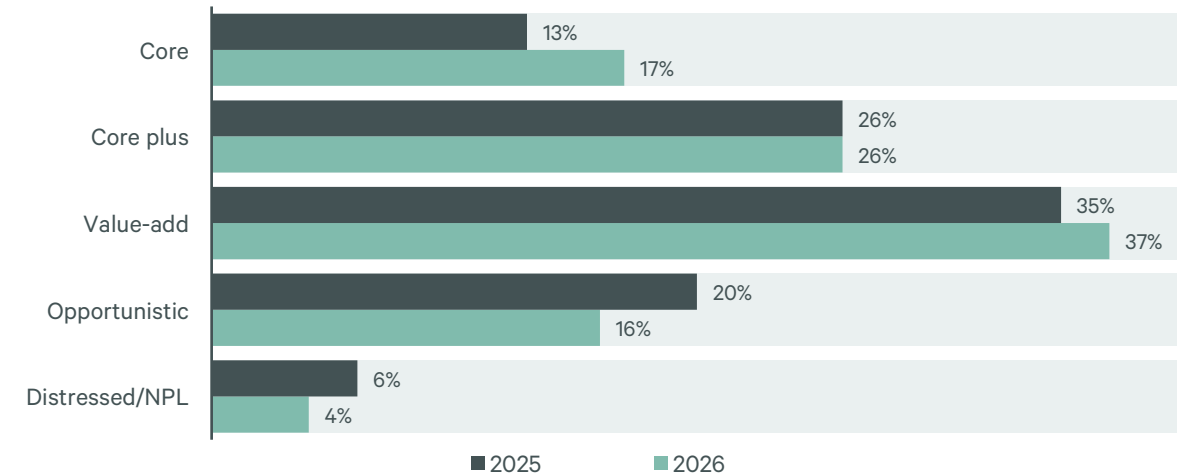
Principal ways in which sustainability initiatives impact investment activity



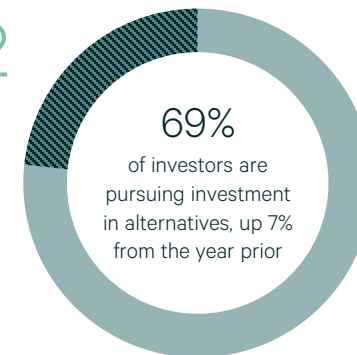
New strategy, allocation, and pricing trends have emerged

01 GPs continue to move up the risk spectrum, while LPs focus on core and core plus

% of respondents believing a given strategy will be the most attractive in 2026



02

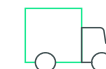


03

Which sectors are investors primarily targeting



34%
Living



25%
Logistics



13%
Office



12%
Retail



8%
Hotel

Sources: CBRE European Investor Intentions Survey 2026

European Investor Intentions Survey 2026 Highlights

2026 Markets expected to see highest cross-border interest

- | | |
|--------------|----------------------|
| 1. London | 6. Paris |
| 2. Madrid | 7. Amsterdam |
| 3. Warsaw | 8. Lisbon |
| 4. Barcelona | 9. Copenhagen |
| 5. Milan | 10. Berlin/Stockholm |

2025 Markets expected to see highest cross-border interest

- | | |
|--------------|---------------|
| 1. London | 6. Amsterdam |
| 2. Madrid | 7. Berlin |
| 3. Paris | 8. Lisbon |
| 4. Barcelona | 9. Copenhagen |
| 5. Warsaw | 10. Milan |

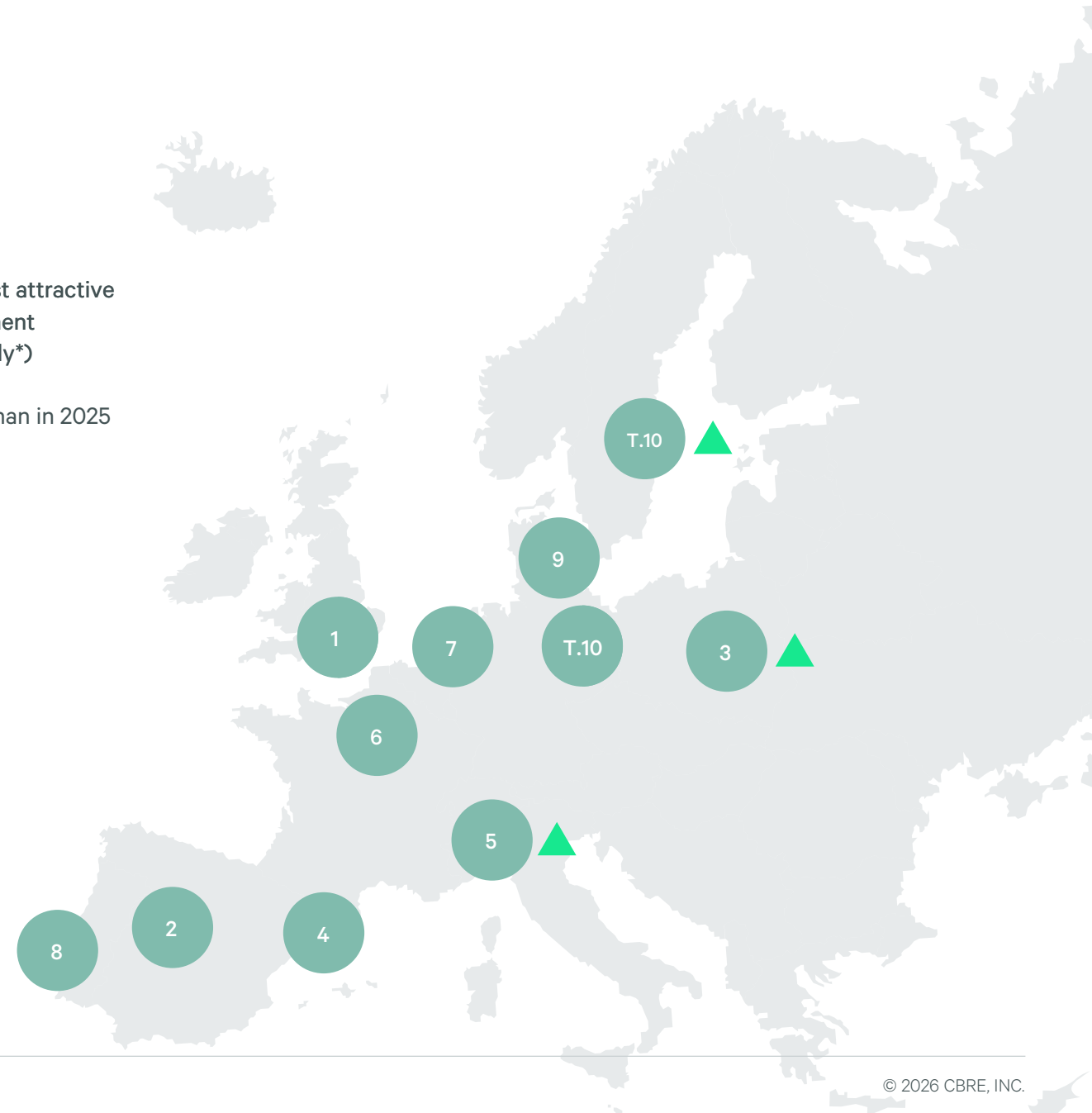
Source: CBRE European Investor Intentions Survey 2026

* Only responses selecting markets outside of the country of domicile are taken into account.

Legend

2026 Top 10 most attractive cities for investment (cross-border only*)

▲ Higher ranking than in 2025



Contents

- 01 **Investor Sentiment**
- 02 **Capital Markets Outlook**
- 03 **Real Estate Strategies**
- 04 **Investment Destinations**
- 05 **Sustainability and Investment**
- 06 **Investor Implications**
- 07 **Respondent Profile**



Key Findings

01

Investor sentiment around investing in Europe in 2026 is strong, with 89% of respondents anticipating that their investment activity will either increase or hold steady in the coming year. Likewise, 83% expect selling activity to rise or remain unchanged, signalling robust liquidity ahead. This increased willingness to buy and sell should help narrow the bid-ask spread, which has been a persistent constraint during the recovery phase. Further reductions in debt costs will provide additional support to investment activity.

04

Spain was identified by cross-border respondents as the market with the strongest expected total property returns in 2026, supported by robust macroeconomic fundamentals and strong demand for assets in Barcelona and Madrid. Italy also climbed in the rankings. While Germany and France did not rank highly in the overall standings, domestic demand in both markets remains strong. London retained its position as the most attractive city for cross-border investment

02

Allocations to real estate are projected to increase across all investor profiles. LPs are largely expecting allocations to remain stable, but 37% are looking to increase exposure for real estate in 2026. Investors are looking to increase their allocations to all sectors, with a specific focus on Living, Logistics, and Hotels. Pricing expectations between buyers and sellers have come into closer alignment overall.

05

Sustainability is a critical element of European investment decisions, with investors leveraging ESG initiatives as a source of value creation, particularly through retrofitting. Nearly one-quarter of investors indicated they would require a discount for assets failing to meet specific sustainability criteria. Around half of respondents' firms have committed to a net zero pledge, with those setting a target date being evenly split between deadlines of 2030, 2040, and 2050.

03

Living was the most attractive sector for the second consecutive year, as respondents anticipate moderate to significant increases in near-term occupier demand given structural changes in the European living sector such as demographic changes and constraints on supply. While value-add and core plus strategies remain the preferred investment strategies, interest in core has slightly improved year-over-year, especially among LPs. There was also an increased interest in alternatives, with 69% of respondents stating that they were actively targeting investments in non-traditional sectors.

01

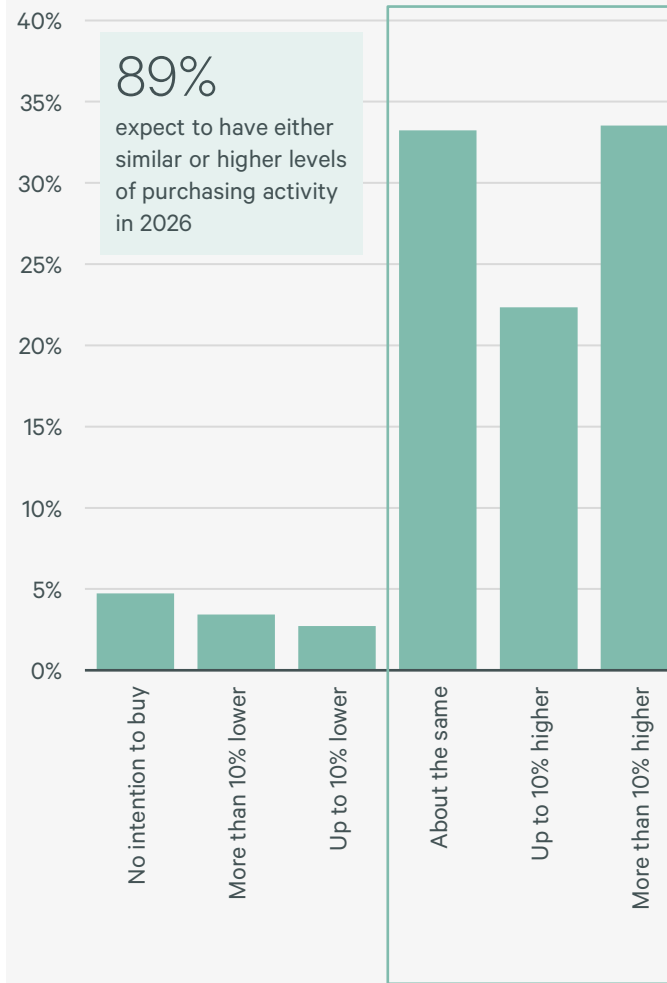
Investor Sentiment

2026 purchasing activity

How are investors expecting their 2026 investment activity to change relative to 2025?

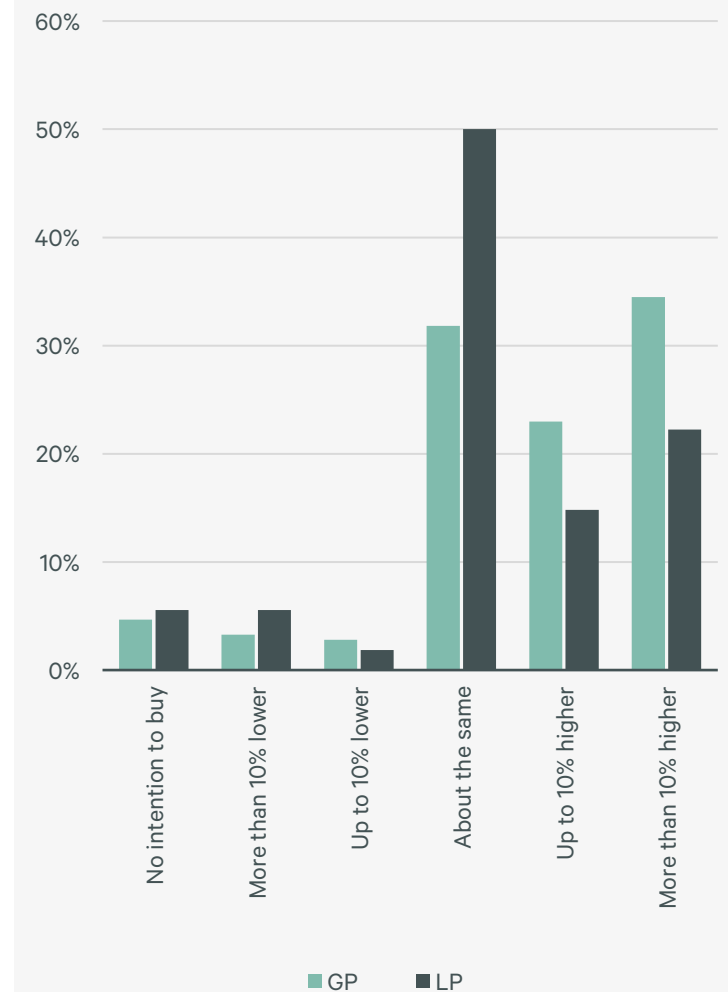
2026 is showing a continuation of the positive trend that started last year. Purchasing expectations remained strong, with 56% of respondents expecting to increase activity this year. Fewer than 11% of investors anticipate reducing acquisitions or making no acquisitions. However, GP investors signal a higher willingness to increase buying activity compared to LPs. After a period of stagnation, capital raised for European real estate in 2025 was notably higher than 2023 and 2024, meaning that GP buyers are more likely to meet the purchasing expectations expressed in the survey. Meanwhile, half of LP respondents expect purchasing activity to remain unchanged, up from 32% the year prior.

Figure 1: Purchasing activity expectations



Source: CBRE European Investor Intentions Survey 2026

Figure 2: GPs' vs LPs' purchasing activity expectations



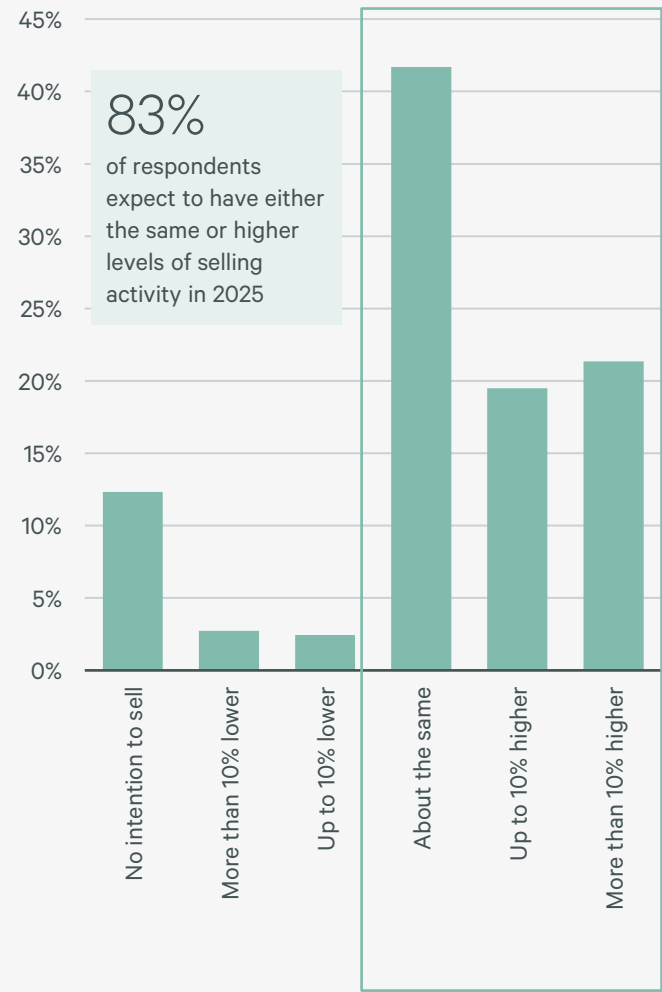
Source: CBRE European Investor Intentions Survey 2026

2026 selling activity

How are investors expecting their 2026 selling activity to change relative to 2025?

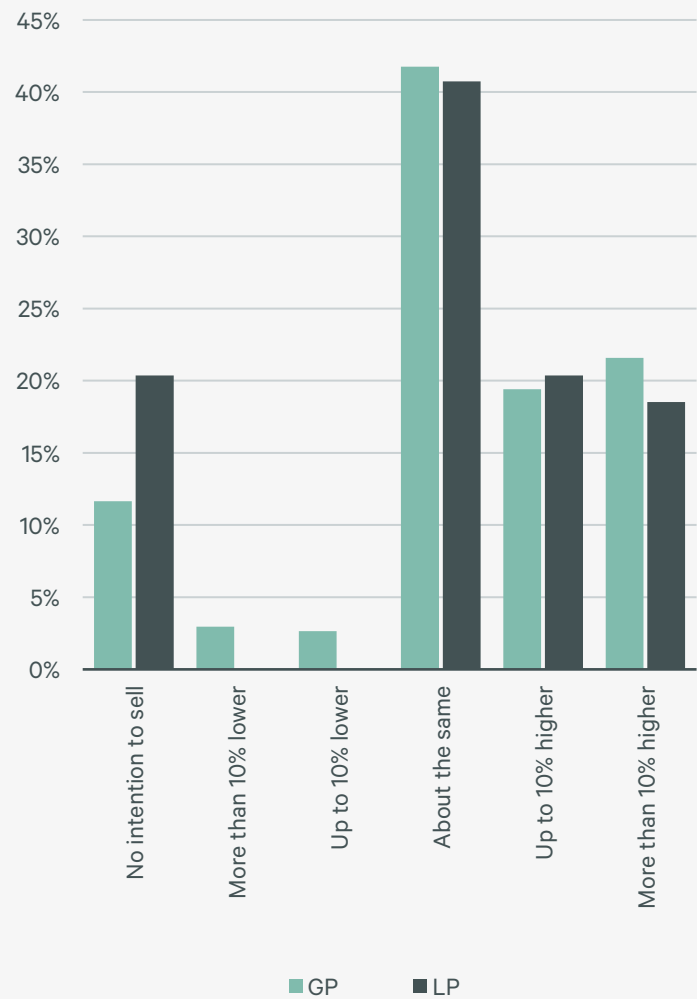
Selling activity expectations have increased, with 83% of respondents anticipating either higher or similar levels of activity compared to last year, up from 79% last year. The desire to increase sales in 2026 likely reflects pressures for equity rotation, as well as upcoming debt maturities, and this should further support market liquidity amid robust appetite for acquisitions. Both GPs and LPs report similar intentions to maintain or increase selling activity. However, a larger share of LPs indicate no plans to sell, underscoring that they have no urgency to divest.

Figure 3: Selling activity expectations



Source: CBRE European Investor Intentions Survey 2026

Figure 4: GPs vs LPs' selling activity expectations



Source: CBRE European Investor Intentions Survey 2026

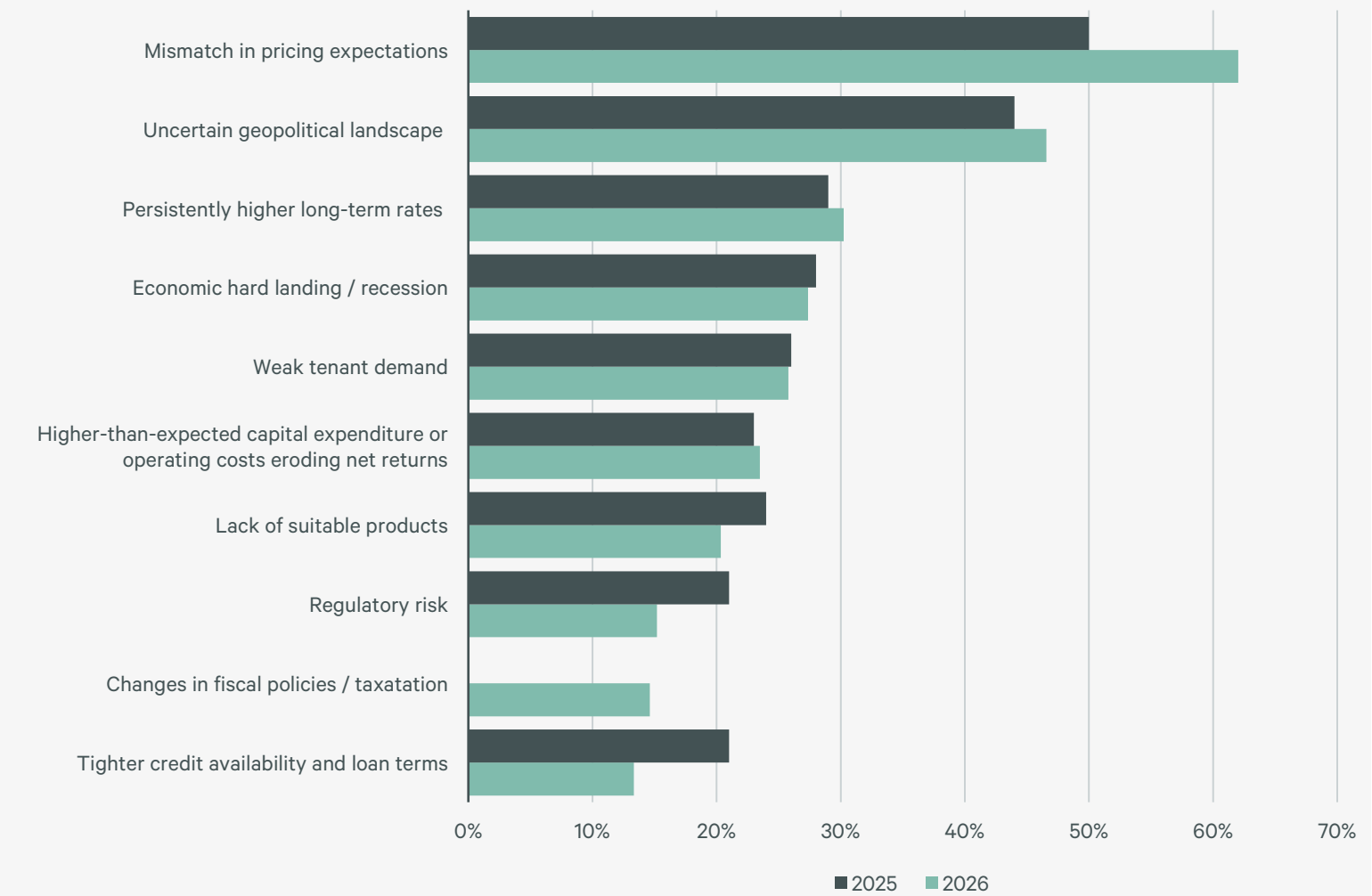
Market headwinds

What are the major challenges facing the investment market in 2026?

Although 2025 was marked by volatility and change, the top three challenges to the European investment market remained the same as last year. A mismatch in buyer and seller expectations is most often cited as the principal challenge to the current investment market, followed by an uncertain geopolitical landscape and persistently higher long-term rates. Tariff implications were included as a response choice for the first time, but this was only selected by 5% of respondents.

At the country level, notable differences emerged among their top choices. In France, respondents are most concerned about the geopolitical landscape reflecting the impact of political instability on international attractiveness. In the UK, 54% expressed concerns about persistently elevated long-term interest rates. In Germany, 41% of respondents cited the risk of an economic hard landing / recession, which was selected as the second choice after mismatch in pricing expectations.

Figure 5: Major headwinds facing real estate investment in 2026



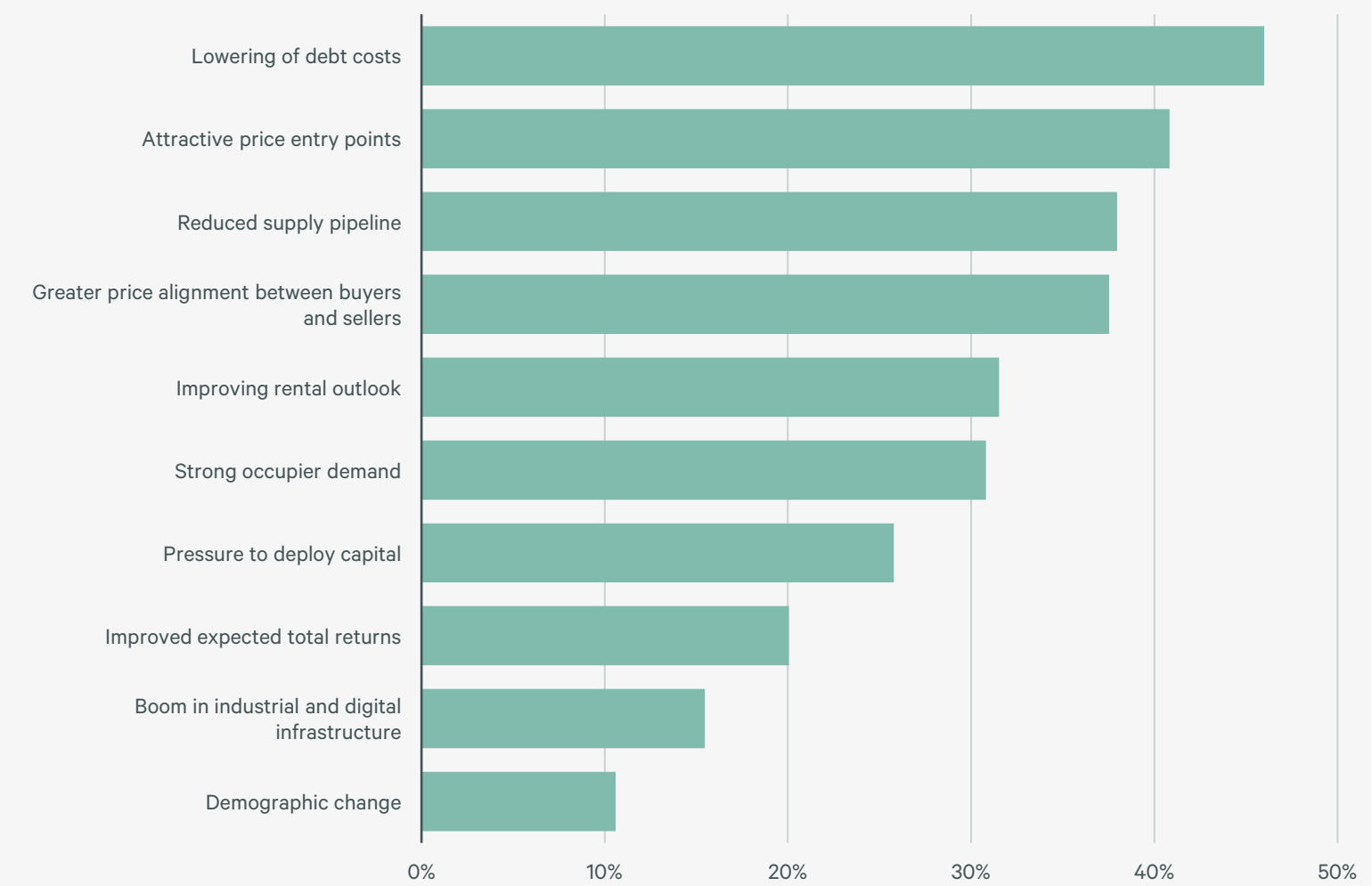
Source: CBRE European Investor Intentions Survey 2026

Market tailwinds

What are the major tailwinds for real estate investment in 2026?

For the first time in this year’s edition, we asked respondents to identify the principal tailwinds that will be conducive to investment activity in 2026. Nearly half anticipate that lower debt costs will continue to help the real estate market. Attractive price entry points, reduced supply pipelines, and greater price alignment between buyers and sellers followed closely behind. This is corroborated by market evidence, where yields for prime assets in several major European markets are beginning to compress. Six choice options received a response rate of more than 30%, suggesting that multiple factors might boost investment activity in 2026. Interestingly, no response registered above 50%, in contrast with the challenges section.

Figure 6: Major tailwinds for real estate investment in 2026



Source: CBRE European Investor Intentions Survey 2026

02

Capital Markets Outlook

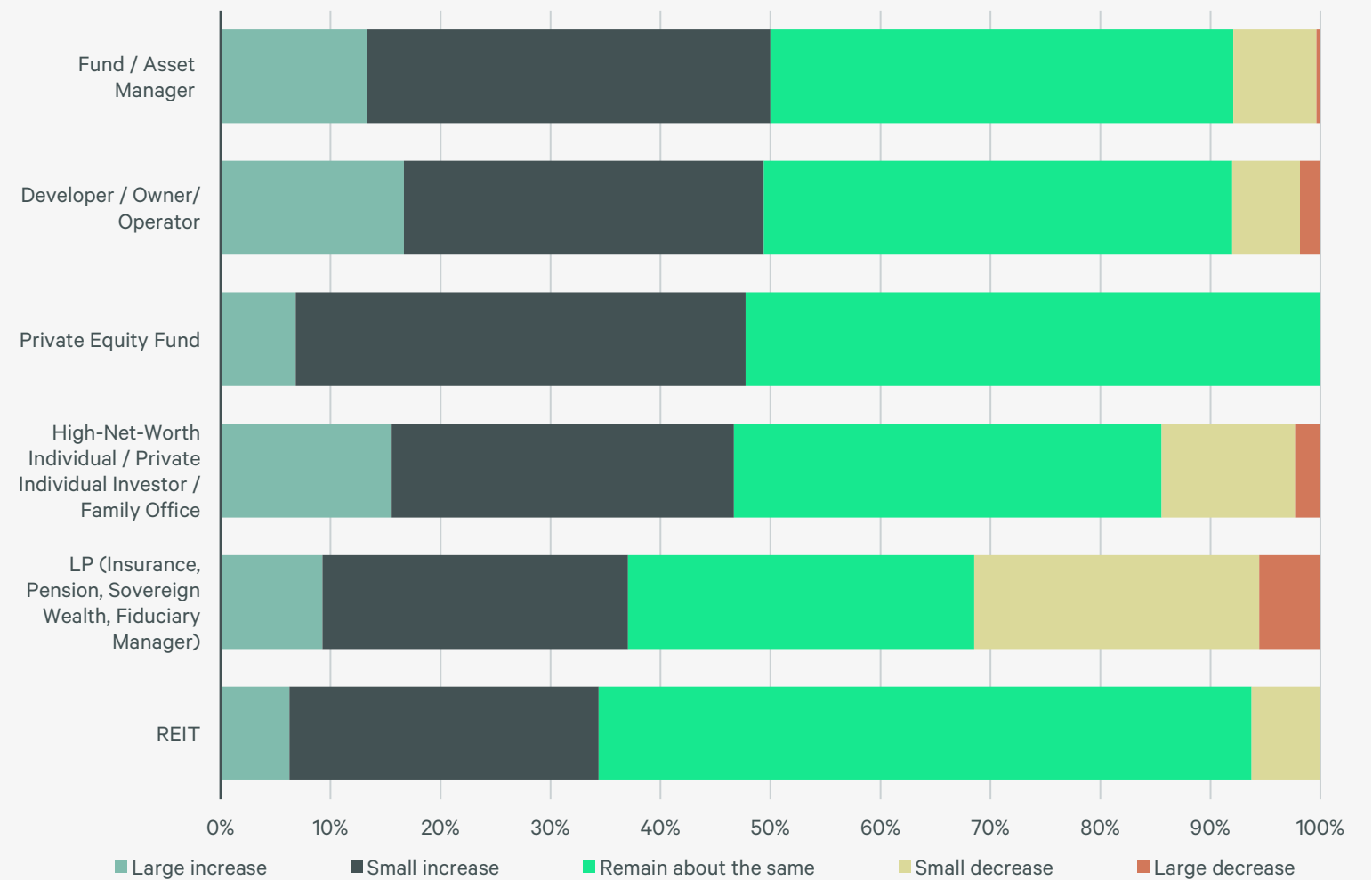
2026 real estate allocation expectations

How are investors allocating to real estate in 2026 compared to 2025?

Nearly 90% of investors expect their allocations to real estate to either remain stable or increase in 2026. This suggests that the increased intention to trade is partly connected to a need to recycle capital and refresh portfolios over the coming year, as well as investing new capital in line with existing allocations.

There is also a marked difference across investor types. Among LPs, while 37% anticipate that they will increase their allocation to real estate, 31% expect allocations to decrease in 2026. In contrast, sentiment among GPs is stronger, with 47% anticipating an increase compared to 9% who expect it to fall.

Figure 8: Real estate allocation expectations by investor type



Source: CBRE European Investor Intentions Survey 2026

Allocation expectations by sector

How are investors’ 2026 capital allocation expectations expected to change?

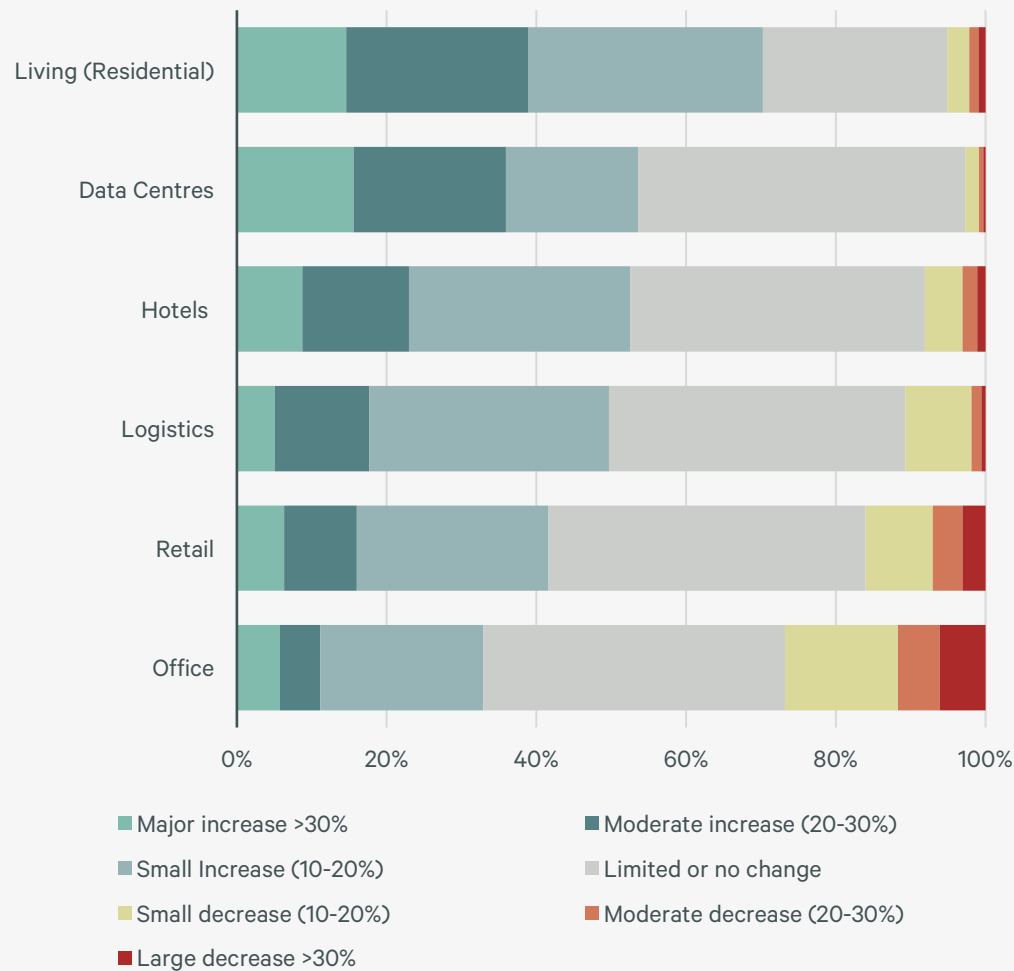
On a year-over-year basis, net allocations to Office and Retail ticked up, while Hotels and Living remained highly sought after. Logistics saw a slight decrease in expected allocations.

While 27% of investors are looking to allocate less to Office, the highest of any sector, 33% of respondents still expect an increase, making the net balance of allocations remain the net balance 6% positive. Meanwhile, net balance of allocations to Retail increased 6% YoY.

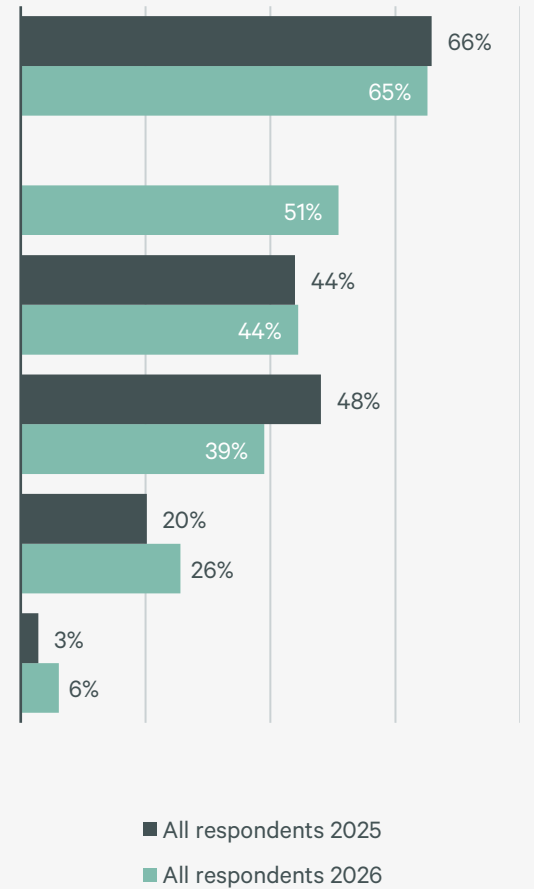
Data centres were included for the first time in this edition. However, only 45% of respondents reported having exposure, compared to an average of c. 75% for all other sectors. Nevertheless, among those who do invest in Data Centres, the sector had the lowest percentage of respondents expecting to reduce allocations, which signals continued confidence in the sector’s growth trajectory.

* Excludes respondents that have no exposure to a given sector.
Source: CBRE European Investor Intentions Survey 2026

Figure 9: Allocation expectations per sector for investors with exposure



Balance of increase (+) / decrease (-) for all respondents 2025 vs 2026



Pricing expectations by sector

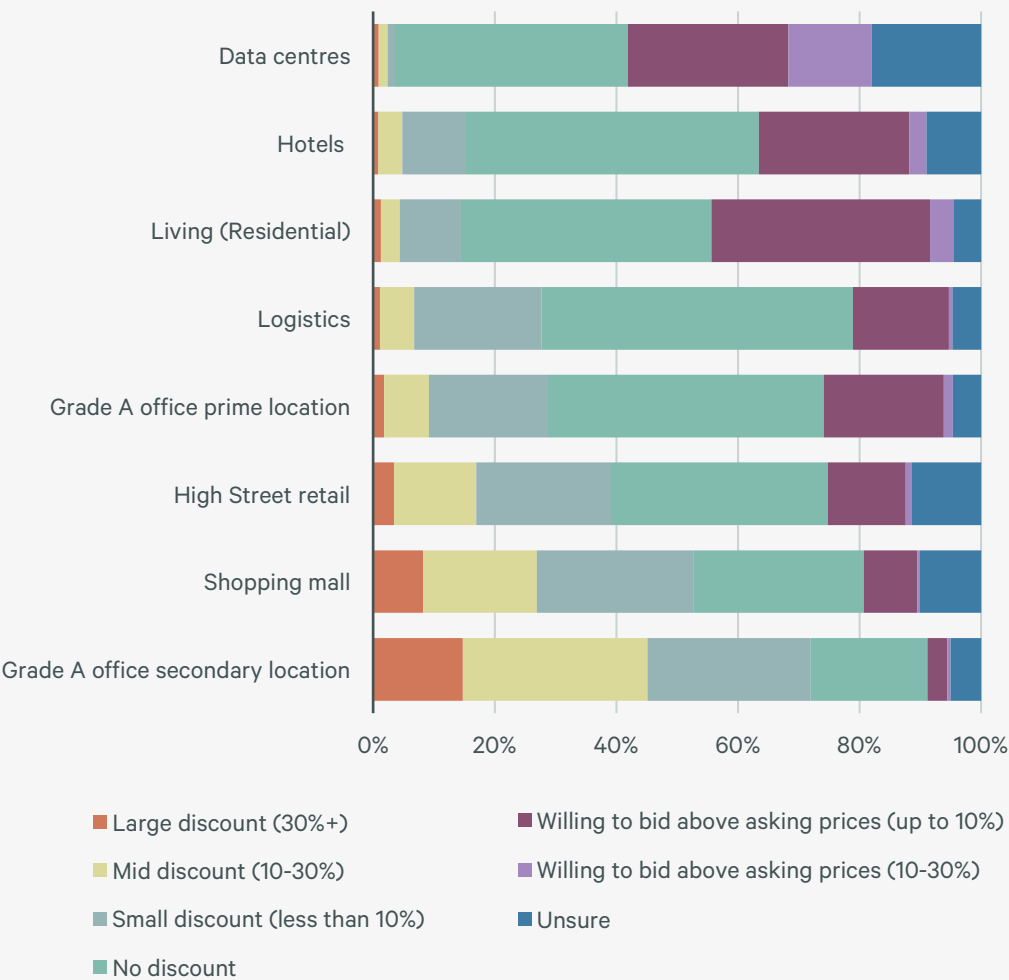
How do investors’ 2026 pricing expectations compare to those in 2025?

In this year’s edition, only respondents saying they had exposure to a given sector were included when calculating pricing expectations.* The order of sectors in terms of pricing remained unchanged from last year. Living once again stood out, with 40% of respondents expecting to bid up asset prices relative to 2025 levels. Data Centres had 40% of respondents willing to bid higher prices, with almost no respondents expecting discounts in this sector.

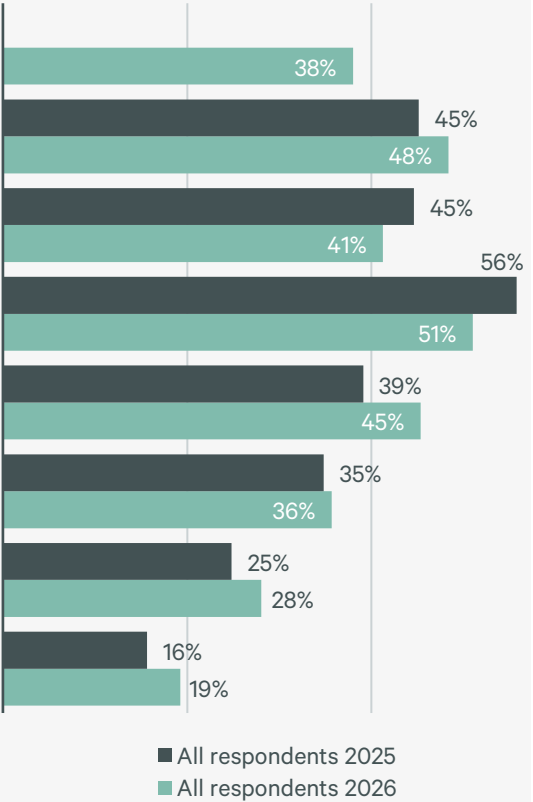
In several sectors, the share of investors anticipating no discounts relative to last year’s pricing increased as the market is further in the recovery cycle and investors have more confidence in valuations. The main sectors where discounts are still anticipated were High Street Retail, Shopping Malls, and Grade A Secondary Offices, although these proportions have moderated compared to last year.

*Approx. 75% of respondents target any given sector excl. Data-centres (50%)
Source: CBRE European Investor Intentions Survey 2026

Figure 10: Pricing expectations in 2026 compared to 2025 and percentage of respondents with exposure to the sector comparison



Comparison of respondents selecting no discount 2025 vs 2026





“

Sentiment has improved and investment activity has increased, with investors seeing opportunities across a range of asset types and locations, supported by lower debt costs and more attractive pricing.

”

Tasos Vesyridis

Head of Research, UK&I and Continental Europe

03

Real Estate Strategies

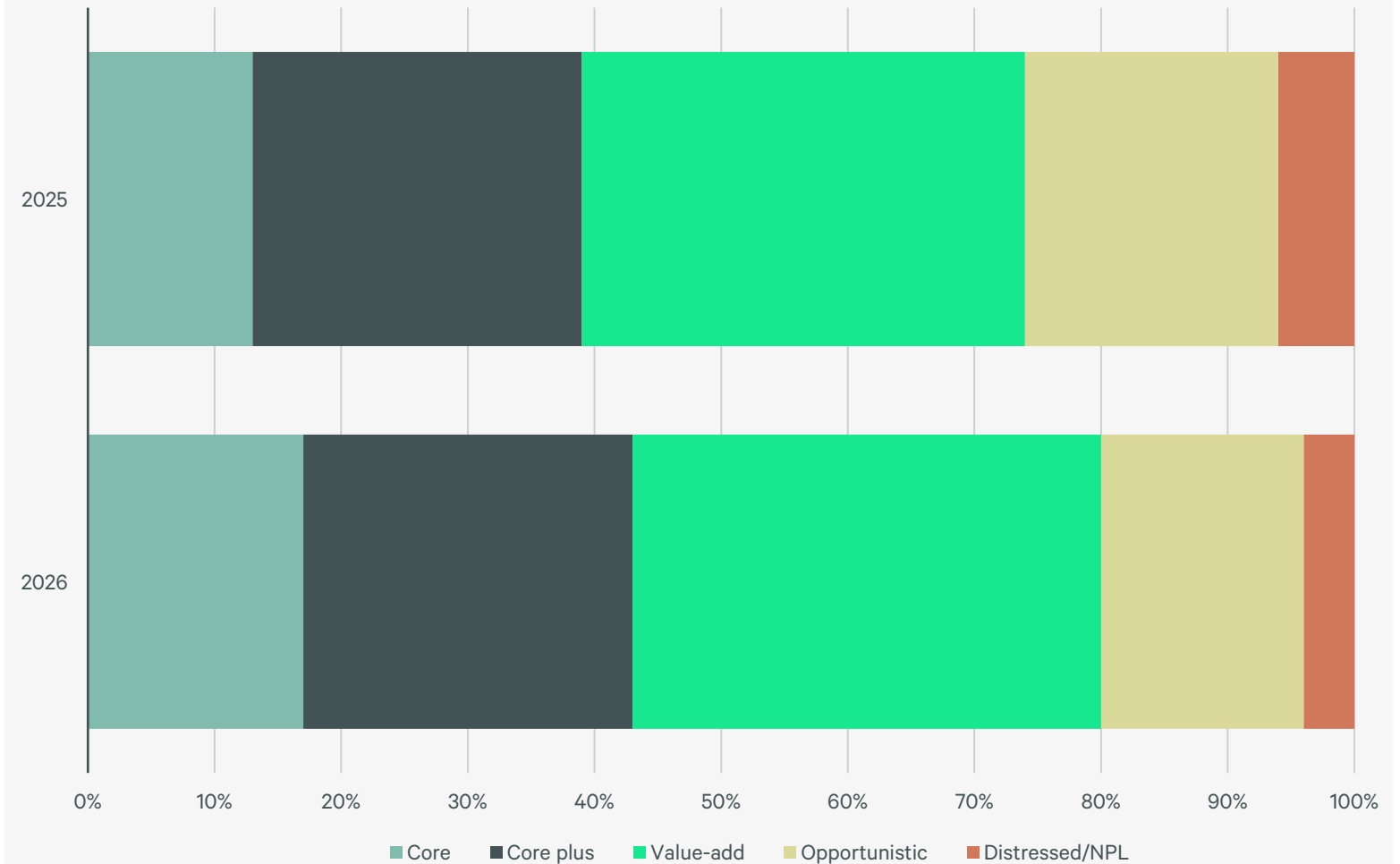
Preferred strategies

What are the favoured strategies for real estate investment in 2026?

Value-add continues to be the most attractive real estate investment strategy, selected by 37% of respondents, compared with 35% in the previous year. The next most attractive strategy was core plus, selected by 26% of respondents overall. Investors following these approaches are looking to drive additional value from assets through active management in what has otherwise been an income-driven return environment in the absence of yield compression.

However, 2026 saw a modest increase amongst both GPs and LPs for pursuing a core strategy. This follows declining interest in core strategies in the previous four editions of our survey.

Figure 11: Most attractive strategy for investment in 2026



Source: CBRE European Investor Intentions Survey 2026

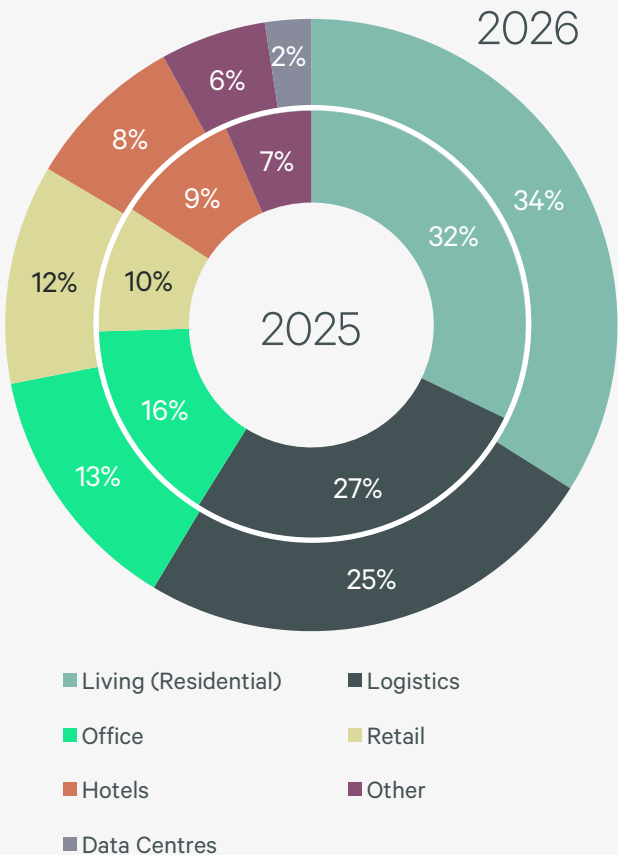
Sector preference

Which sectors are investors primarily targeting?

For the second consecutive year, the Living sector remains the most preferred among respondents, continuing an upward trend since the 2022 edition. Logistics held steady, while Retail gained two percentage points compared to last year and now ranks just behind Office.

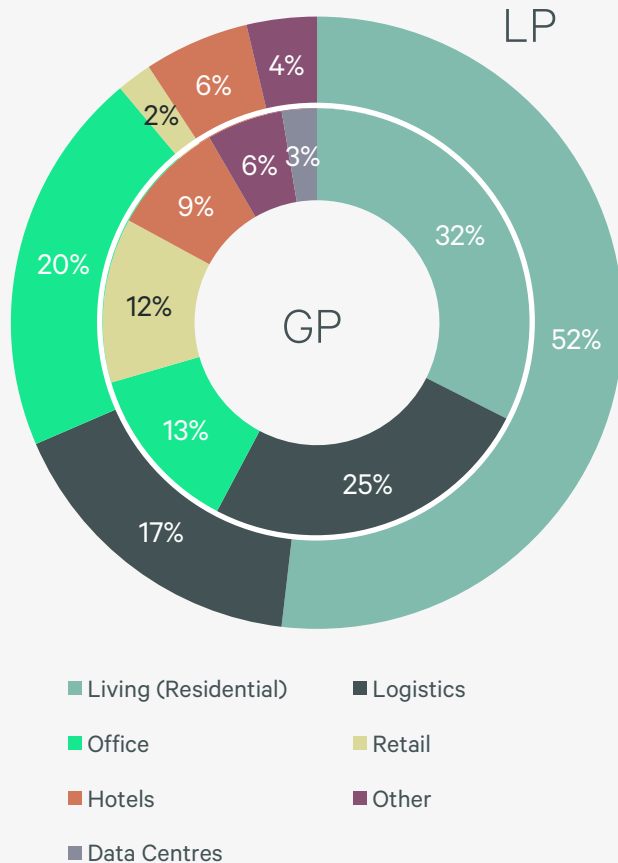
Nonetheless, LP interest in Office remains remarkably strong, as it is the second most preferred sector among these respondents. Hotels remained largely stable year-on-year, while Data centres – introduced for the first time – captured only 2% of responses, suggesting the sector is not yet fully mainstream. Notably, no LP respondents indicated a preference for Data Centres ahead of other sectors, but the sector continues to attract interest as a potential investment option.

Figure 12: Sector preference, 2026 and 2025



Source: European Investor Intentions Survey 2026

Figure 13: Sector preference, 2026 LPs vs GPs



Source: European Investor Intentions Survey 2026

Investors were asked which asset type they favoured based on their preferred sector...

  Arrows mark change YoY



Office

53%  2%

Grade A office prime location

28%  6%

Grade B or C office prime location



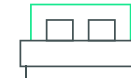
Retail

33%  5%

Retail Park

22%  1%

Supermarkets



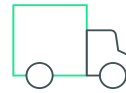
Living

65%  3%

Multifamily (Build-to-rent) apartments

19%  1%

Student housing



Logistics

59%  10%

Modern logistics in major markets

28%  5%

Aged facilities in major markets



Hotel

39%

Among hotel chains Upper Upscale

55%  11%

Among service offerings Full service



Data centres

58%

Powered shells

33%

Powered land

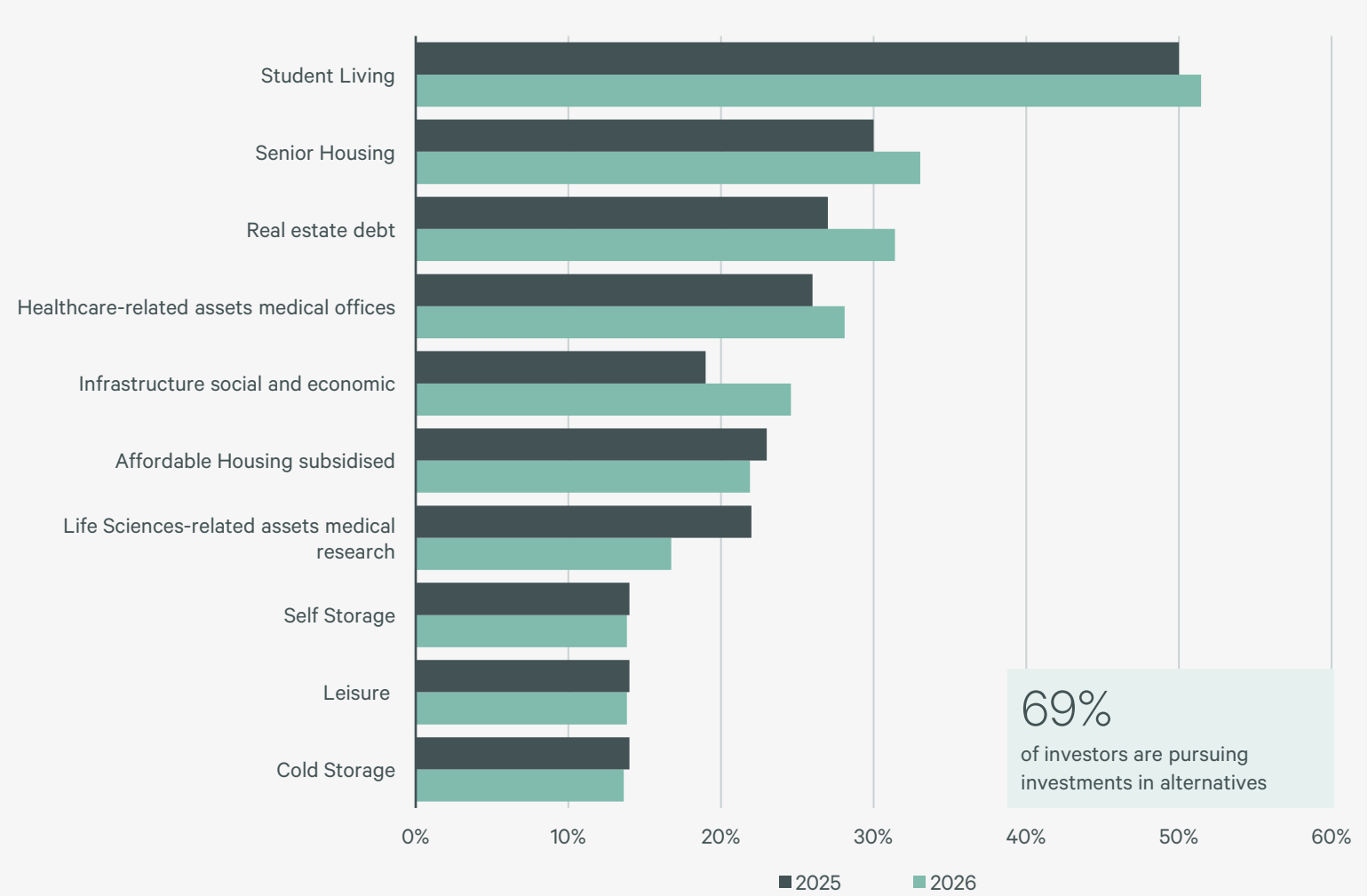
Alternatives

Which alternative sectors are most attractive for investing?

Investor appetite for alternative assets remains strong, with 69% of respondents indicating plans to invest in at least one alternative sector – representing a 7% increase from last year. This growth is particularly notable since Data Centres were removed from the alternative sector this year. Last year, they had been the second-most targeted alternative.

Within alternatives, Living-related sectors such as Student Living and Senior Housing continue to dominate as investor targets, with over 50% indicating an intention to pursue investments in the Student Accommodation sector in 2026. However, we continue to see strong appetite for real estate debt, Healthcare and Life Sciences.

Figure 14: Asset types pursued by respondents who target investment in alternative sectors



Source: CBRE European Investor Intentions Survey 2026

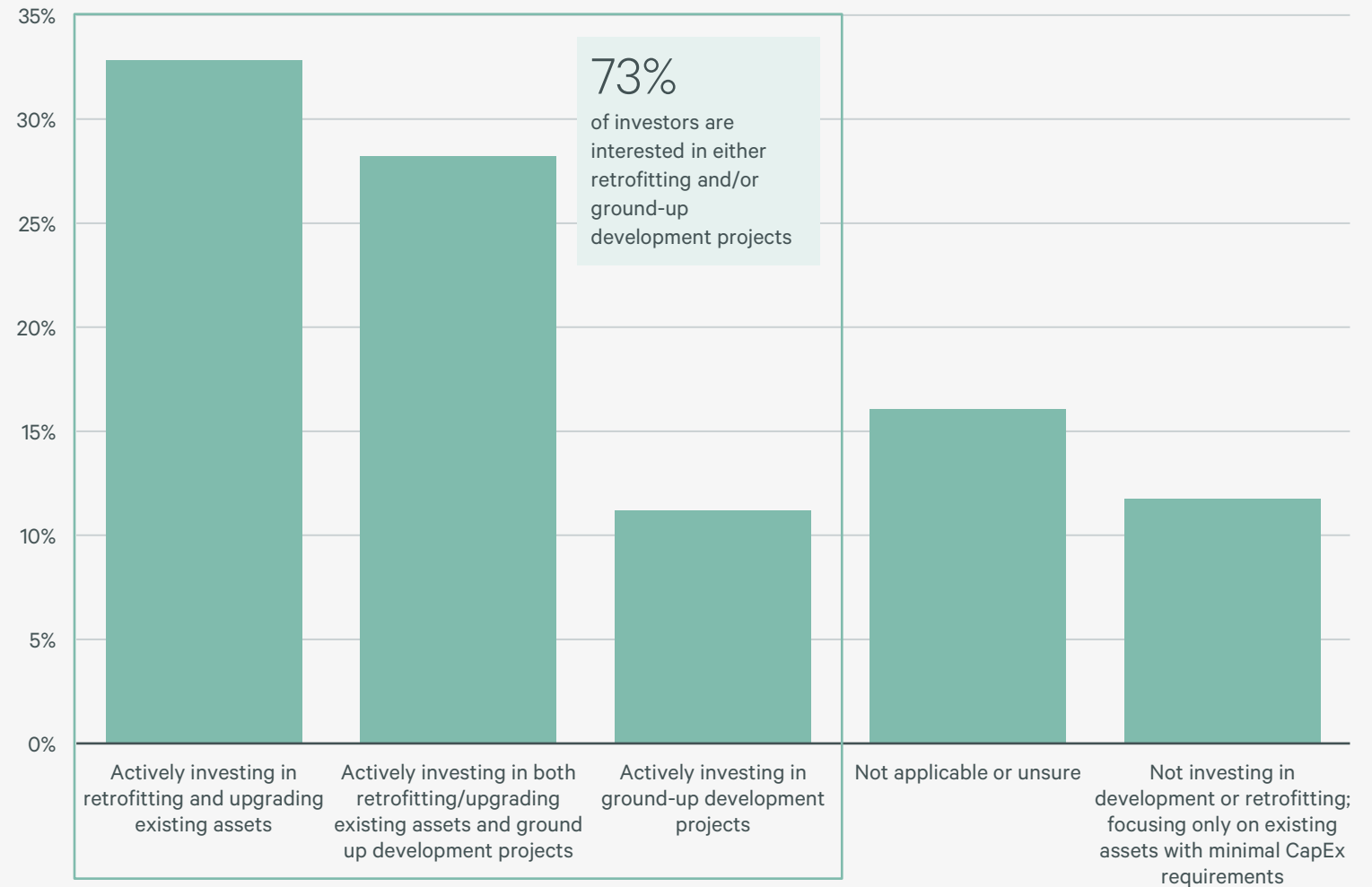
Investor appetite for reversion and development

What are investors' appetite for retrofitting and development?

In this year's survey, respondents were asked about their appetite for real estate development. Sentiment was strong, with three-quarters of investors having plans to pursue at least some form of development or retrofitting activity in the year ahead. Overall, investors indicated that retrofitting was more popular than undertaking development projects. GPs expressed slightly stronger interest than LPs as they are closer to day-to-day operations

In Europe, development activity has become increasingly selective, with a clear bifurcation emerging between central and regional markets. New projects are now concentrated in prime, well-connected locations, where demand and viability remain strongest. However, development is constrained by limited lot availability. As a result, many investors view asset upgrades and ESG-driven refurbishment as the most pragmatic approach for value creation.

Figure 15: Appetite for developments or retrofitting in 2026



Source: CBRE European Investor Intentions Survey 2026

04

Investment Destinations

Spain expected to have the highest total property returns in 2026

Which markets are expected to have the strongest total property returns in 2026?

To avoid in-country bias, the country rankings traditionally exclude respondents who select their home market. In this year's edition, respondents were allowed to select a top three as opposed to just one in previous editions.

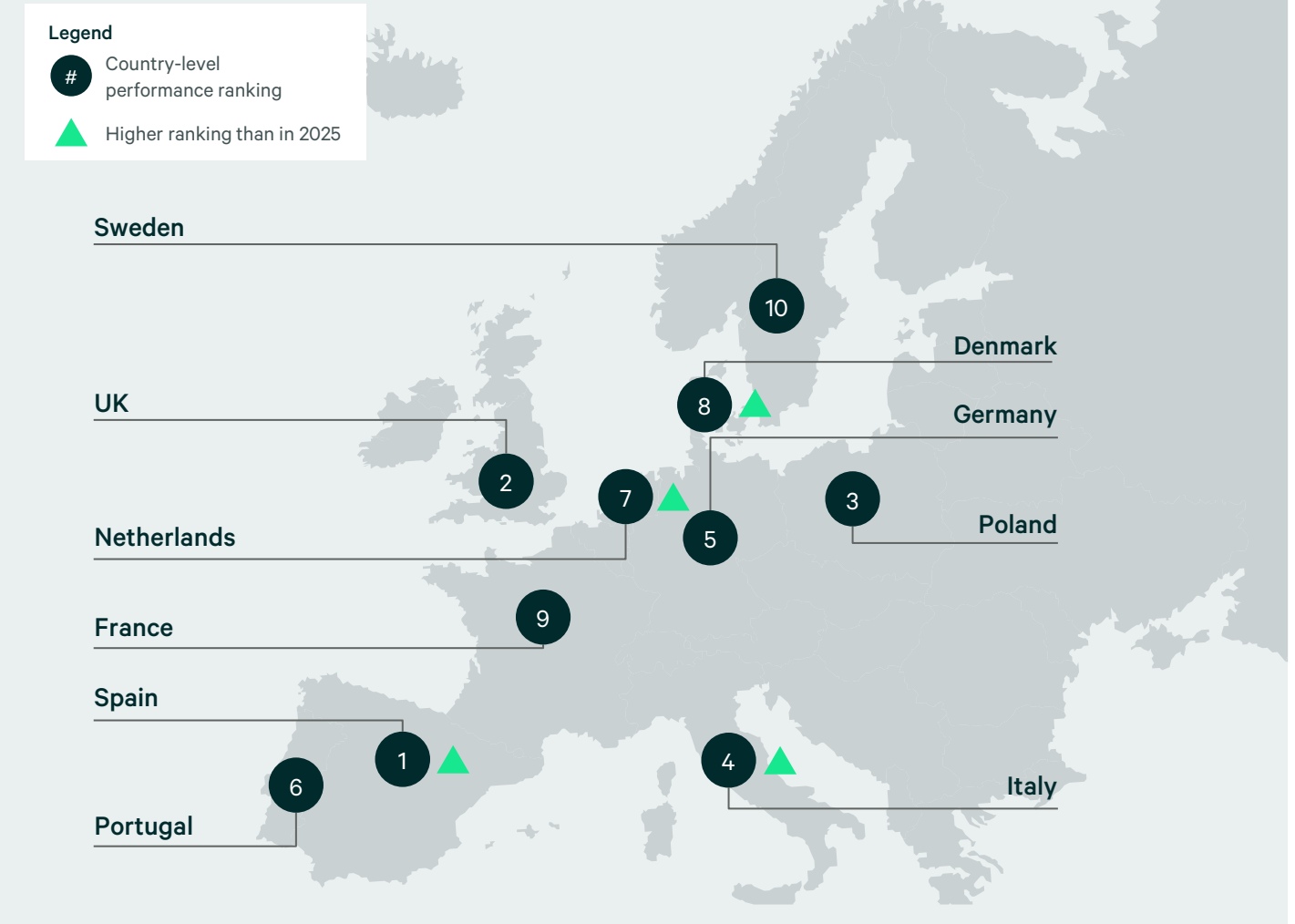
Spain came out on top for the first time, with just under 50% selecting it as the market with the highest performance expectations. Interest in the market is driven by robust macro-economic fundamentals, a booming tourism sector and strong demand for living space. The Living and Retail sectors in Spain are facing an imbalance of supply and demand. Therefore, offices are being reconverted, and the decrease in stock should subsequently boost rents in the Office sector. Portugal, another Southern European market, placed 6th for the second consecutive year as it benefits from similar trends.

The United Kingdom fell one spot in the return expectation rankings, but the market remains attractive with an improving interest rate outlook. Italy moved up three spots in the rankings due to greater financial stability in part due to a more predictable political environment, strong occupier fundamentals, a reduced supply pipeline, and growth potential in regional markets. Poland, a larger economic driver of CEE, is benefiting from strong macro conditions and retained its third-place spot for the third consecutive year.

Source: CBRE European Investor Intentions Survey 2026

* Only responses selecting markets outside of the country of domicile are taken into account.

Figure 16: Country level performance expectations (cross-border* only)



London remains the most attractive city for cross-border investment

Which cities are the most attractive for property investment in 2026?

The city rankings closely mirror the country-level rankings. London retained its top spot and was most frequently selected as the most attractive city in which to invest in 2026 by cross-border respondents.

Spain places two cities in the top five, with Madrid ranked second and Barcelona fourth. Warsaw sits notably between them in third place. Milan continued its upward trajectory, securing the fifth position, as the city continues to benefit from a thriving business climate and improved infrastructure.

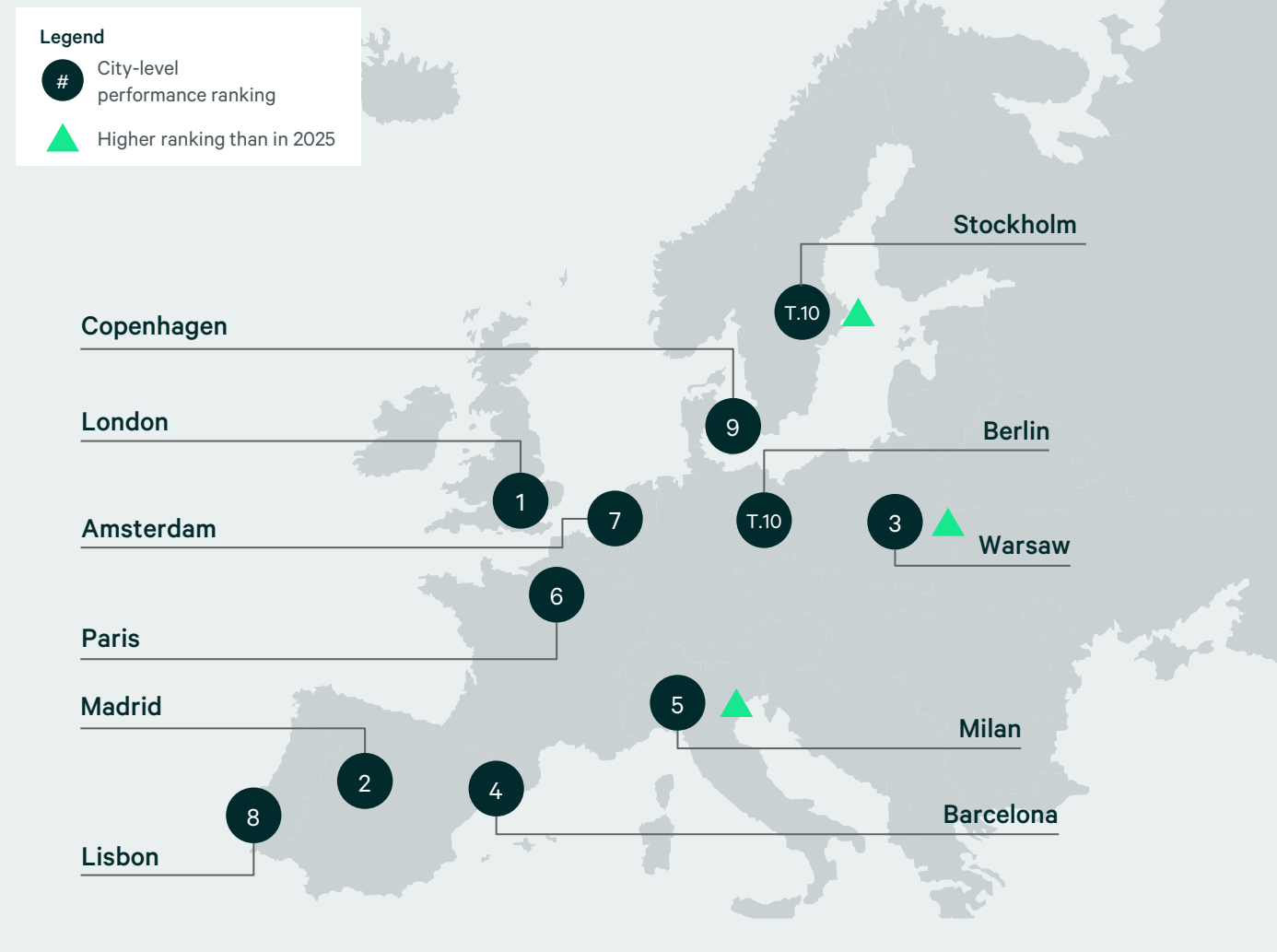
Stockholm and Berlin tied for tenth place. Stockholm's ranking increased due to a notable improvement in the Swedish macroeconomic climate, which is forecasted to outperform the Euro-area, supported by resilient domestic demand, and yield compression. Berlin is also a highly attractive city due to population growth and supply constraints for living.

In terms of total votes (including domestic), the composition of the top ten would remain largely unchanged, with the sole addition of Rome. Milan would rise to third place, while Lisbon would move up two positions and Paris one.

Source: CBRE European Investor Intentions Survey 2026

* Only responses selecting markets outside of the country of domicile are considered.

Figure 17: Most attractive cities for cross-border* investment



05

Sustainability and Investment

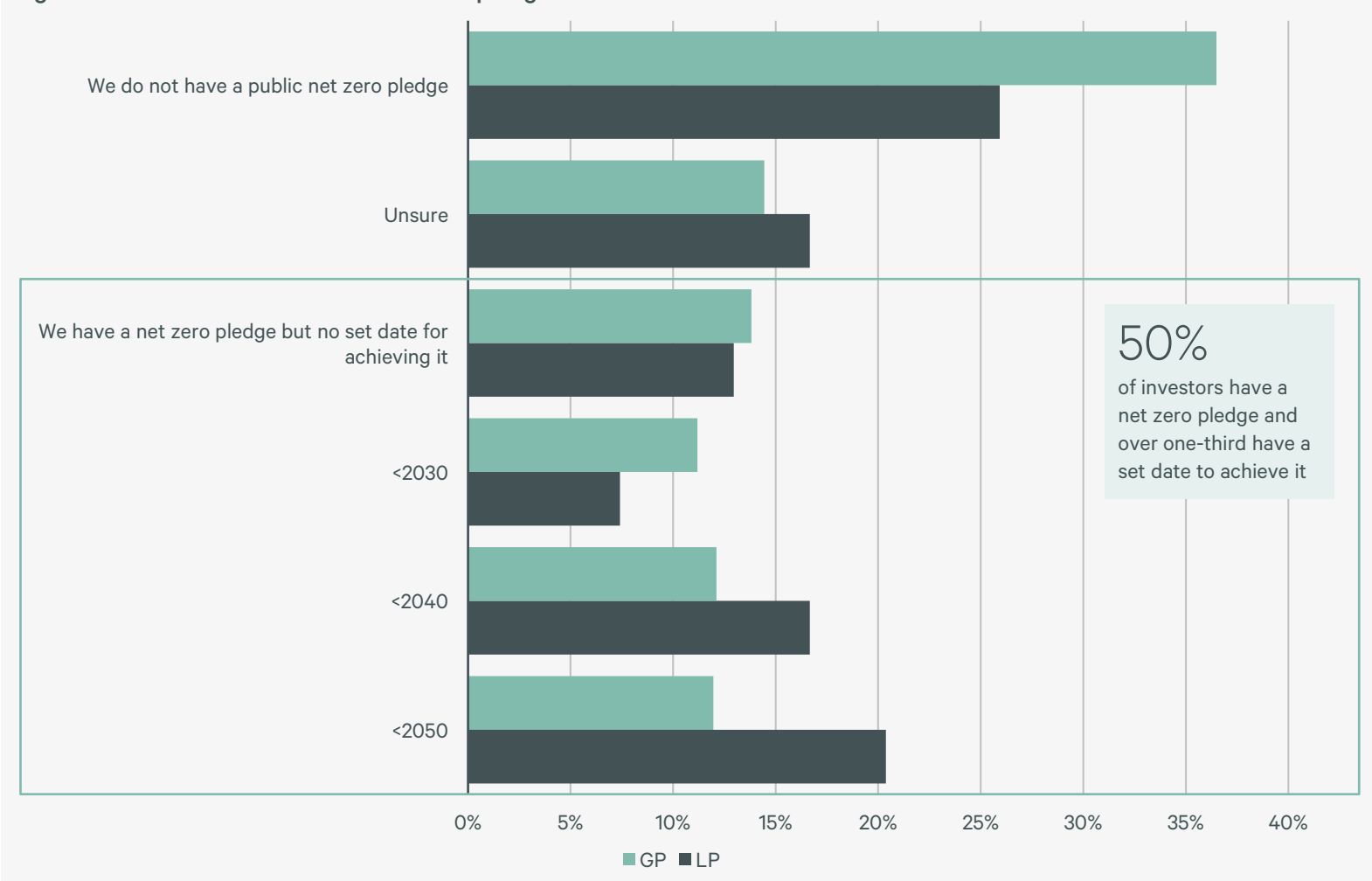
Investors' expected timeline for their net zero emissions pledge

Do investors have a **net zero emissions pledge**, and, if so, what is the timeline?

When asked about net zero emissions pledges, 50% of respondents confirmed having one, while just over one-third reported having a specific target date to achieve it. Meanwhile, 37% stated they do not have a net zero pledge, and 15% were unsure.

Among those with a set target date, 30% plan to achieve net zero by 2030, 35% by 2040, and 35% by 2050. These figures were consistent with the levels of ambition registered in previous surveys, despite evolving regulation requirements. GPs that have set targets tend to often aim for earlier achievement than LPs as they have full control over decision-making, allowing them to accelerate progress.

Figure 18: Timeline for net zero emissions pledge GP vs LP



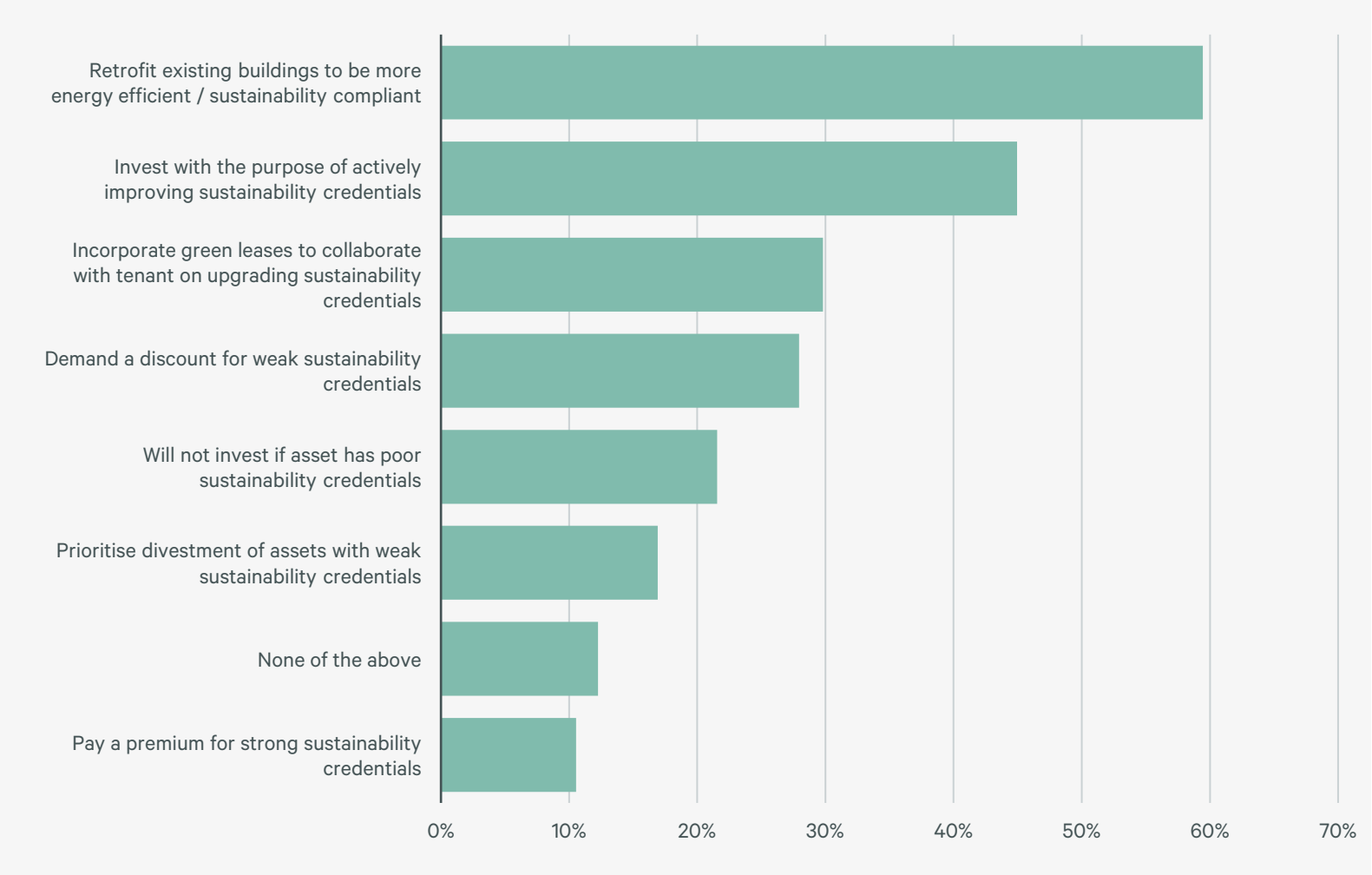
Source: CBRE European Investor Intentions Survey 2026

Sustainability and value-creation

In which ways do sustainability credentials impact investment activity?

[Sustainability will continue to drive value creation in today's evolving regulatory landscape.](#) In this year's survey, 88% of respondents reported that they take sustainability initiatives into account when investing. Over half of respondents are looking to retrofit existing buildings, which will, in turn, enable landlords to command higher rents or retain additional fees through management contracts. There is also a pricing component. Approximately one-quarter of respondents indicated that they would demand a discount on properties with poor sustainability credentials. Another quarter of respondents also stated they would avoid investing in assets with weak sustainability credentials altogether.

Figure 19: Ways in which environmental sustainability credentials impact investment activity



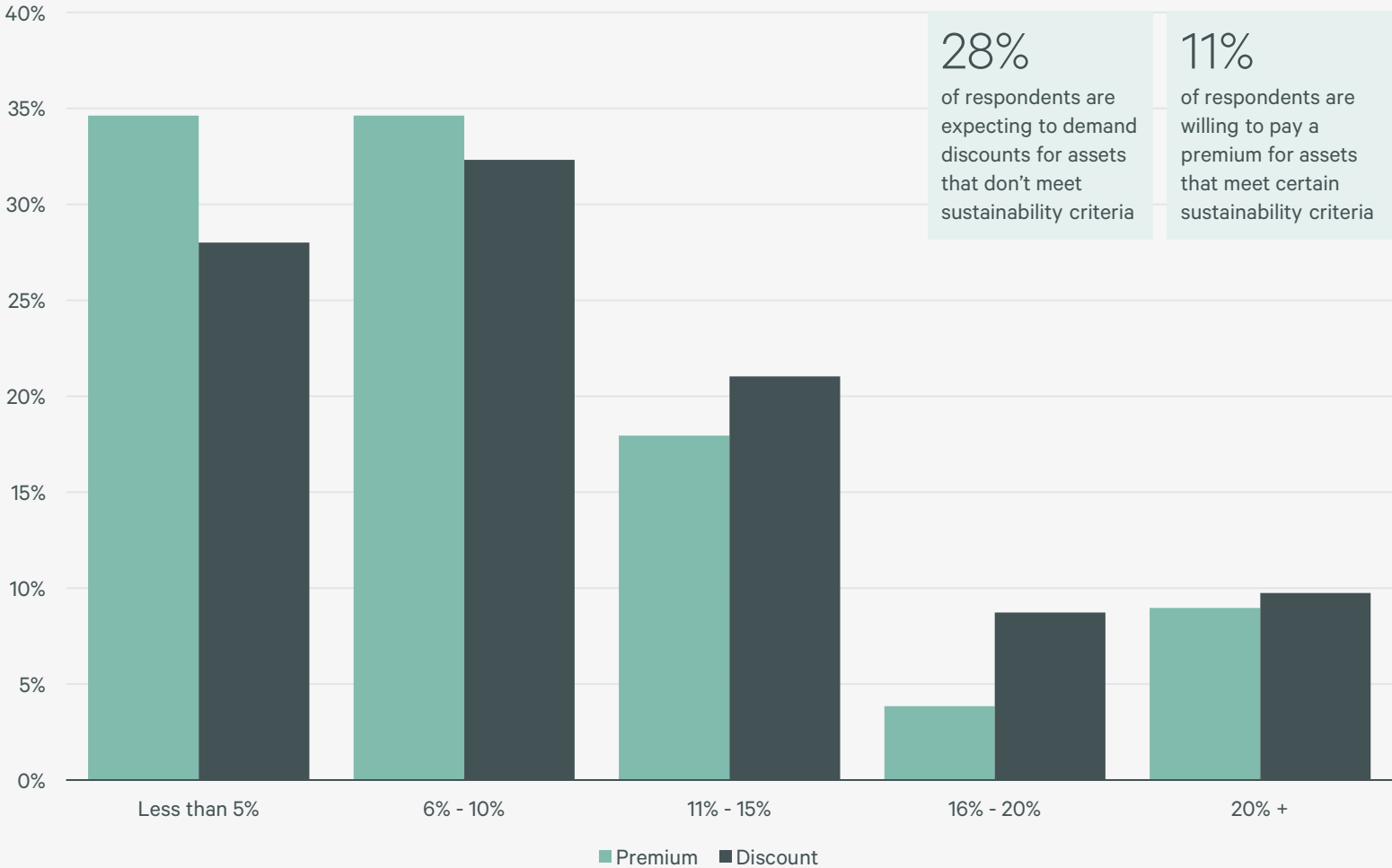
Source: CBRE European Investor Intentions Survey 2026

Premium and discounts for sustainable assets

What premium or discount do investors expect in relation to sustainability standards?

Traditionally, we have asked investors how much of a premium they are willing to pay for sustainability credentials. This year, respondents were also asked if they demand a discount for assets that lack those credentials. The results indicate that sustainability credentials have become the norm. Just over one-third of total respondents stated they plan to apply price adjustments, either discounts or premiums, based on whether assets meets sustainability criteria. Of these responses, over two-thirds believe these factors could impact property values by more than 5% signalling a significant market influence.

Figure 20: Premium or discount investors are willing to pay



Source: CBRE European Investor Intentions Survey 2026

06

Investor Implications

Investor Implications

01

European investment volumes rose by 15% in 2025 and are expected to increase in 2026. Respondents demonstrated a clear preference for Living assets and cross-border investors favour Southern Europe this year. Survey results also indicate that investors will rotate equity across sectors to reposition portfolios, signaling confidence in long term fundamentals.

02

Although pricing levels have stabilised in the highly sought after Living and Logistics sectors, Office and Retail continue to lag. Nevertheless, sentiment for Offices and Retail has improved. The window of opportunity is narrowing, and investors potentially have a short time horizon to deploy capital before values increase.

03

Allocation to European property markets are expected to remain strong, and GPs see opportunities in core plus and value-add strategies due to lack of supply and attractive price entry points. Social Housing and Healthcare facilities, which blur the line between infrastructure and real estate, are benefiting from positive momentum and may provide strong returns.

04

Sustainability remains important to investors at both an organization level and as a catalyst for driving value in real estate portfolios. Retrofitting is the preferred path to improving portfolios, but some investors reflect sustainability criteria in their bidding for new assets.



07

Respondent Profile

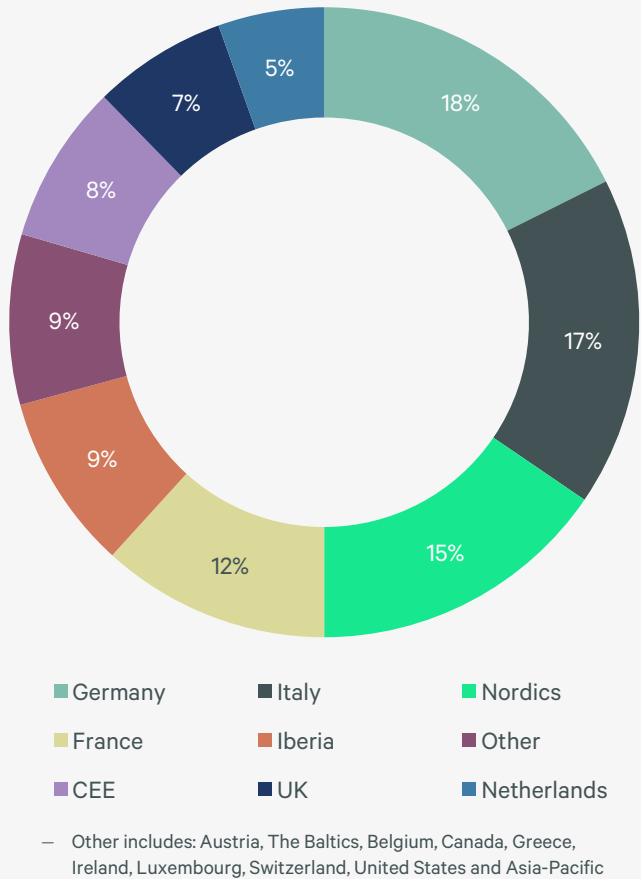
CBRE's European Investor Intentions
Survey 2026 was conducted between
4 November 2025, and 3 December 2025.

Total Responses:
698



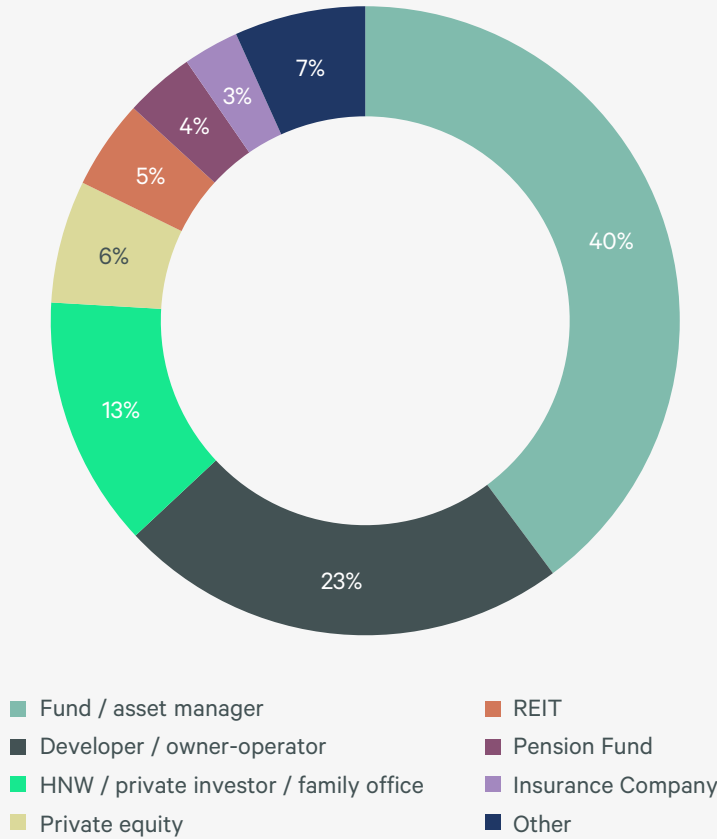
Respondent Profile

Figure 21: Percentage of respondents by market



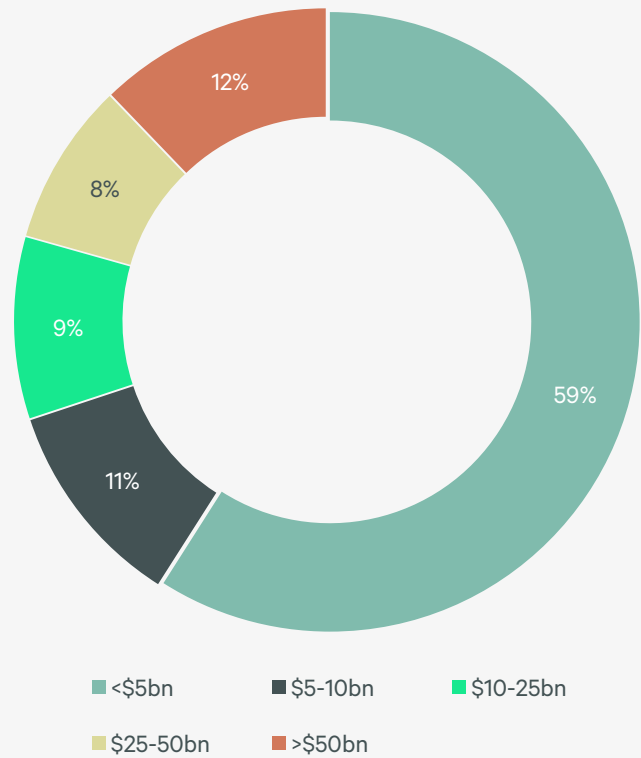
Source: CBRE European Investor Intentions Survey 2026

Figure 22: Percentage of respondents by investor type



Source: CBRE European Investor Intentions Survey 2026

Figure 23: Percentage of respondents by AUM



Source: CBRE European Investor Intentions Survey 2026

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