

The real state of real estate in numbers

Real estate asset managers have had to navigate a volatile landscape for the last few years. This data reflects the current state of play across the key real estate segments.

North America

Office
19.8%



The forecasted peak vacancy rate for US office demand.¹

New supply of office space has tracked slowing demand, with the construction pipeline falling below **50 million square feet** (MSF) to the lowest levels observed since 2013.²

Retail
4.1%



US retail vacancy rates in Q1 2024, an increase of 10 basis points.⁵

Demand for premium retail locations, however, remains strong, driving the take up of **3.1 million square feet** in Q1 2024.

Logistics
195 million sq ft



The estimated demand for US real estate space reached in 2023, while 490 million square feet was supplied to the market once 2022 project completed.³

Logistics real estate vacancy rates have edged higher to **4.8%**, and although forecast to reach **5.4%** in 2024, will peak below historical averages in most markets.⁴

Residential
2.6%



Rise in house prices in 2024 despite high interest rates

US apartment occupancy rates are expected to remain robust, with average occupancy rates expected to remain above **94%**.⁶

Europe

Office
16%



Decrease below the long-term average for European office real estate take up, and down 19% year-on-year in 2023.⁷

Despite a challenging market, offices in prime locations continue to enjoy strong demand, with average prime office yields up to **4.6%** in March 2024 from **3.2%** in June 2022.⁸

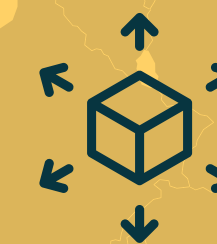
Retail
12.7%



Q4 2023 vacancy rate for the European shopping center segment.¹²

There are some signs of the retail real estate bottoming out, however, with retail attracting **19%** of overall retail investment, a notable climb.¹²

Logistics
4%



Rate of rental growth in the prime logistics segment in 2024 after showing double-digit growth

Take up of logistics real estate space slowed by **25%** in Q1 2024, but market fundamentals remain resilient, with vacancy rates below **5%** in most European countries.¹⁰

Residential
3%



Forecasted increase in number of households in European capital cities over the next five years.¹³

Sustainability will be a major challenge for European residential real estate, with **25%** of EU housing stock below class E and **49%** below class D.¹⁴

Source: ^{1,6} CBRE ² Cushman & Wakefield ^{3,4} Prologis ⁵ Colliers

^{7,8,11,12} Abrdn ^{9,13,14} CBRE ¹⁰ BNP Paribas