



MAY 2025

RESEARCH

Investment Property Forum European Consensus Forecasts

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IPF European Consensus Forecasts

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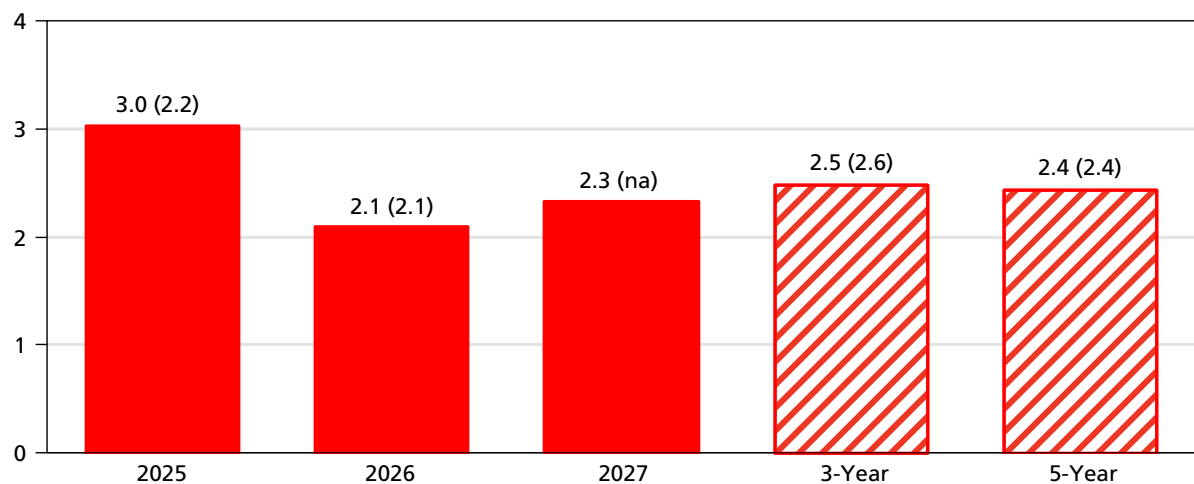


Survey of European Office Market Rental Forecasts May 2025

For the first survey of 2025, 14 organisations provided rental growth forecasts for some or most of the 30 locations covered by this research. Forecasts were produced ahead of the survey deadline of 30 April. As fewer than the minimum requirement of five rental growth forecasts were received for Athens and Moscow, no results for the current survey period have been produced for these markets.

Figure 1 summarises the average growth projections across the 28 office locations, where data is available, over the next three years and the annualised averages over three and five years (November 2024 forecasts in brackets).

Figure 1: Average Annual Growth Rates, 2025–2027, and 3- and 5-Year Annualised Averages (%)



Improved 2025 Outlook

In the six months since the previous survey, the 2025 average growth rate, across all locations, has improved from 2.2% to 3.0%. This uplift is driven by an increase in forecasts across 17 markets, with upgrades of greater than 2.0% in Lisbon, Helsinki, Frankfurt, Manchester and Barcelona. The Lisbon rental growth forecast is of particular note, as it has been boosted most substantially from 0.9% to 6.3%. This location, along with London: City (6.2%), London: West end (5.4%) and Manchester (5.1%), offer the most attractive rental growth prospects for 2025. The forecasts of eight locations have been downgraded, with the most significant declines in Luxembourg, Budapest, Dublin and Zurich and the forecasts for the final three markets remain relatively unchanged from the previous estimates. In the current year, only Paris: la Défense is expected to experience rental value decline of 0.2%.

2026 Overall Unchanged

The rental growth expectation of 2.1% for next year is in line with the previous survey. Twelve locations are anticipated to achieve higher rental growth, with Rome, Stockholm, Amsterdam and Barcelona demonstrating improvements of 0.7% and over. A further 11 locations have reduced rental growth expectations, with Oslo, Helsinki, Prague and Copenhagen expected to experience the most significant downgrades. The rental growth forecasts for a further five markets are closely aligned with those from the previous survey. In 2026, the most attractive locations for rental prospects are expected to be the London: City (3.2%), Madrid (3.2%), London: West End (3.1%) and Munich (3.0%), while the least attractive are Paris: la Défense (0.5%), Zurich (0.9%) and Budapest (1.0%).

Survey of European Office Market Rental Forecasts

Consistent Outlook in 2027

The first set of 2027 forecasts, produced by the survey, demonstrates a fairly consistent outlook with those of 2026 (see Table 1). Only Budapest, Paris: la Défense and Manchester growth rates are expected to change by more than 1.0% between the two years. Rental growth is projected to be greater than 3.0% in Dublin, London: City, Madrid, Amsterdam and Manchester for 2027, while Paris: la Défense (1.6%), Vienna (1.6%) and Zurich (1.7%) are expected to have the weakest prospects.

Three- and Five-Year Prospects

The three-year annualised average forecast of 2.5% pa is marginally behind November's forecast of 2.6% pa. The loss in performance from the introduction of 2.3% for 2027, replacing the more bullish 2024 forecast of 3.6%, has been largely offset by the stronger 2025 expectation. The five-year forecast is in line with the previous five-year projection of 2.4% pa.

On an individual basis, the strongest performing markets over the next three years are the three UK markets (London: City 4.2% pa, London: West End 3.8% pa, Manchester 3.4% pa), ahead of Madrid at 3.4% pa and Munich at 3.3% pa. Over the five-year time period, the top performing markets are the same; London: City (4.1% pa) and London: West End (3.8% pa) have the strongest forecasts, with Madrid (3.3% pa), Munich (2.9% pa) and Manchester (2.9% pa) a little way behind.

Weaker forecasts are projected in Paris: la Défense (0.6% pa), Budapest (1.2% pa) and Zurich (1.2% pa) over three years. Over five years, the same markets are expected to struggle most with Paris: la Défense again projected to realise the weakest growth rate of just 0.8% pa.

Survey of European Office Market Rental Forecasts

Average Growth Forecasts

Table 1 records the latest weighted averages across the 30 office markets surveyed, together with the year-on-year differences between the three periods reported.

Table 1: Year-on-Year Average Weighted Growth Forecasts and Changes (%)

	Rental growth forecast			Y-o-Y Difference	
	2025	2026	2027	2026 vs. 2025	2027 vs. 2026
Vienna	1.7	1.5	1.6	-0.3	0.2
Brussels	2.7	2.6	2.2	-0.1	-0.4
Prague	2.6	1.8	2.2	-0.7	0.3
Copenhagen	1.8	2.0	2.2	0.2	0.3
Helsinki	4.5	1.1	1.8	-3.5	0.7
Lyon	1.5	2.0	2.0	0.6	0.0
Paris CBD	2.6	2.4	2.4	-0.2	0.1
Paris la Défense	-0.2	0.5	1.6	0.7	1.1
Berlin	1.3	1.7	1.8	0.4	0.2
Frankfurt	4.5	2.0	2.0	-2.5	0.0
Hamburg	3.1	2.1	2.3	-1.0	0.2
Munich	4.2	3.0	2.7	-1.2	-0.2
Athens*	na	na	na	na	na
Budapest	0.3	1.0	2.2	0.7	1.2
Dublin	1.4	2.5	3.4	1.1	0.9
Milan	3.4	2.5	2.5	-0.8	0.0
Rome	3.9	2.9	2.3	-1.0	-0.6
Luxembourg	1.7	1.8	2.0	0.1	0.2
Amsterdam	2.9	2.7	3.2	-0.1	0.5
Oslo	2.7	1.8	2.1	-1.0	0.4
Warsaw	2.6	1.6	2.3	-1.0	0.8
Lisbon	6.3	1.5	1.8	-4.8	0.3
Moscow*	na	na	na	na	na
Madrid	3.7	3.2	3.2	-0.6	0.1
Barcelona	4.6	2.9	2.1	-1.7	-0.8
Stockholm	3.5	2.7	2.0	-0.8	-0.7
Zurich	1.0	0.9	1.7	-0.2	0.8
London: City	6.2	3.2	3.3	-3.0	0.0
London: West End	5.4	3.1	2.9	-2.2	-0.2
Manchester	5.1	2.0	3.1	-3.0	1.1
Average	3.0	2.1	2.3	-0.9	0.2

* As fewer than five forecasts were received, it is not possible to report any analysis of these markets.

Survey of European Office Market Rental Forecasts

Table 2 summarises average weighted growth rates, ranked by order of lowest to highest projections for the current year and includes the three- and five-year annualised forecasts.

Table 2: 2024 Ranked Weighted Average Growth Rates (%)

	End-2024 rent (psm)*	Annual rental growth forecast			Annualised rental growth forecast (pa)	
		2025	2026	2027	2025-2027	2025-2029
Paris la Défense	595.29	-0.2	0.5	1.6	0.6	0.8
Budapest	299.79	0.3	1.0	2.2	1.2	1.4
Zurich (CHF)	948.34	1.0	0.9	1.7	1.2	1.2
Berlin	537.50	1.3	1.7	1.8	1.6	1.7
Dublin	677.83	1.4	2.5	3.4	2.4	2.7
Lyon	334.08	1.5	2.0	2.0	1.8	2.0
Luxembourg	646.00	1.7	1.8	2.0	1.8	1.9
Vienna	333.51	1.7	1.5	1.6	1.6	1.8
Copenhagen (DKr)	2,306.16	1.8	2.0	2.2	2.0	2.2
Prague	351.75	2.6	1.8	2.2	2.2	2.1
Paris CBD	1,150.09	2.6	2.4	2.4	2.5	2.6
Warsaw	321.53	2.6	1.6	2.3	2.2	2.2
Oslo (Nkr)	6,442.86	2.7	1.8	2.1	2.2	2.2
Brussels	396.67	2.7	2.6	2.2	2.5	2.4
Amsterdam	546.25	2.9	2.7	3.2	2.9	2.8
Hamburg	429.00	3.1	2.1	2.3	2.5	2.4
Milan	728.89	3.4	2.5	2.5	2.8	2.8
Stockholm (SKr)	9,208.33	3.5	2.7	2.0	2.7	2.7
Madrid	497.79	3.7	3.2	3.2	3.4	3.3
Rome	568.23	3.9	2.9	2.3	3.0	2.7
Munich	661.33	4.2	3.0	2.7	3.3	2.9
Frankfurt	585.90	4.5	2.0	2.0	2.8	2.4
Helsinki	577.50	4.5	1.1	1.8	2.5	2.6
Barcelona	355.33	4.6	2.9	2.1	3.2	2.8
Manchester (GBP)	478.44	5.1	2.0	3.1	3.4	2.9
London: West End (GBP)	1,637.61	5.4	3.1	2.9	3.8	3.8
London: City (GBP)	902.12	6.2	3.2	3.3	4.2	4.1
Lisbon	338.29	13.5	1.5	1.8	3.2	2.7
Average	na	3.0	2.1	2.3	2.5	2.4
Range	na	6.5	2.7	1.8	3.6	3.2

*€ unless otherwise stated

Survey of European Office Market Rental Forecasts

Forecast Ranges

Table 3 reports the range of forecasts, provided for each location, over the time periods covered. The ranges are ranked by the range of the 2025 forecasts. Contributors have provided a significant span of forecasts for the current year in a number of key locations, which is more significant than in the previous survey. Manchester, Paris: La Défense, London: West End and London: City have the highest degree of uncertainty around their 2025 forecasts, while the range of 2025 results is considerably lower for Luxembourg, Berlin, Vienna and Zurich.

The ranges of 2026 and 2027 forecasts are narrower than for the current year, reflecting a more certain outlook.

Table 3: Forecast Ranges Ranked by 2025 Forecasts (%)

	2025	2026	2027	2025-2027 (pa)	2025-2029 (pa)
Luxembourg	1.3	2.3	3.3	2.7	2.8
Berlin	2.4	4.1	5.2	3.0	3.7
Vienna	2.7	3.0	4.0	2.1	2.5
Zurich	2.9	3.3	3.6	2.5	2.8
Copenhagen	3.6	2.7	3.0	2.0	2.2
Brussels	3.8	2.7	4.0	2.9	3.1
Warsaw	3.8	4.4	3.8	2.7	2.4
Budapest	3.9	4.9	3.4	3.0	2.6
Oslo	4.1	4.6	4.5	2.8	2.6
Lyon	4.4	4.8	2.1	3.4	1.9
Barcelona	4.6	3.1	5.0	2.3	2.5
Prague	4.6	3.3	2.0	3.0	2.0
Amsterdam	4.9	2.8	5.0	3.6	3.5
Paris CBD	6.0	4.7	4.4	3.9	2.5
Hamburg	6.3	4.2	4.0	3.6	3.6
Rome	6.4	5.7	5.4	5.2	5.2
Dublin	6.5	4.7	5.1	4.7	3.7
Stockholm	7.4	4.3	4.4	3.9	2.9
Madrid	8.2	3.3	4.3	3.9	2.8
Frankfurt	8.2	4.3	4.6	4.3	3.9
Helsinki	9.1	2.5	2.9	5.2	2.7
Milan	9.2	7.0	5.9	6.8	6.0
Munich	9.6	4.4	3.8	6.0	4.2
Lisbon	9.7	2.8	3.9	2.6	2.5
London: City	11.8	4.7	3.2	4.8	3.4
London: West End	12.9	7.5	5.4	7.0	6.4
Paris: la Défense	14.5	4.1	3.6	5.7	4.6
Manchester	15.4	3.4	3.8	6.5	3.9
Minimum	1.3	2.3	2.0	2.0	1.9
Maximum	15.4	7.5	5.9	7.0	6.4
Median	6.1	4.1	4.0	3.6	2.9

Survey of European Office Market Rental Forecasts

Evolution of Forecasts

Table 4 compares the current set of forecasts with those from November 2024, while Table 5 shows the evolution of the 2025 forecasts over the last five surveys, starting from May 2023.

Table 4: Mean weighted rental value growth forecasts (%) – May 2025 versus November 2024

	2025		2026		2027		Rolling 3-year average		Rolling 5-year average	
	May	Nov	May	Nov	May	Nov	May	Nov	May	Nov
Vienna	1.7	(1.3)	1.5	(1.0)	1.6	(na)	1.6	(1.4)	1.8	(1.3)
Brussels	2.7	(2.7)	2.6	(2.8)	2.2	(na)	2.5	(4.4)	2.4	(3.5)
Prague	2.6	(2.9)	1.8	(2.7)	2.2	(na)	2.2	(3.9)	2.1	(3.3)
Copenhagen	1.8	(2.0)	2.0	(2.8)	2.2	(na)	2.0	(2.4)	2.2	(2.4)
Helsinki	4.5	(1.4)	1.1	(2.1)	1.8	(na)	2.5	(2.8)	2.6	(2.6)
Lyon	1.5	(1.6)	2.0	(1.8)	2.0	(na)	1.8	(1.5)	2.0	(1.8)
Paris CBD	2.6	(2.9)	2.4	(2.9)	2.4	(na)	2.5	(4.4)	2.6	(3.8)
Paris la Défense	-0.2	(0.0)	0.5	(0.7)	1.6	(na)	0.6	(-0.9)	0.8	(0.2)
Berlin	1.3	(1.3)	1.7	(1.3)	1.8	(na)	1.6	(1.3)	1.7	(1.7)
Frankfurt	4.5	(1.8)	2.0	(1.5)	2.0	(na)	2.8	(1.9)	2.4	(1.9)
Hamburg	3.1	(1.5)	2.1	(2.1)	2.3	(na)	2.5	(2.0)	2.4	(2.0)
Munich	4.2	(3.8)	3.0	(2.8)	2.7	(na)	3.3	(6.6)	2.9	(4.8)
Athens*	na	(na)	na	(na)	na	(na)	na	(na)	na	(na)
Budapest	0.3	(0.8)	1.0	(1.6)	2.2	(na)	1.2	(1.0)	1.4	(1.4)
Dublin	1.4	(1.7)	2.5	(3.0)	3.4	(na)	2.4	(1.3)	2.7	(2.0)
Milan	3.4	(2.3)	2.5	(2.0)	2.5	(na)	2.8	(2.3)	2.8	(2.2)
Rome	3.9	(2.4)	2.9	(1.9)	2.3	(na)	3.0	(2.5)	2.7	(2.0)
Luxembourg	1.7	(2.7)	1.8	(2.3)	2.0	(na)	1.8	(2.2)	1.9	(2.2)
Amsterdam	2.9	(2.4)	2.7	(2.1)	3.2	(na)	2.9	(2.8)	2.8	(2.6)
Oslo	2.7	(2.6)	1.8	(3.4)	2.1	(na)	2.2	(2.9)	2.2	(2.8)
Warsaw	2.6	(2.3)	1.6	(1.3)	2.3	(na)	2.2	(2.1)	2.2	(2.0)
Lisbon	6.3	(0.9)	1.5	(1.8)	1.8	(na)	3.2	(2.3)	2.7	(2.0)
Moscow*	na	(na)	na	(na)	na	(na)	na	(na)	na	(na)
Madrid	3.7	(2.9)	3.2	(2.9)	3.2	(na)	3.4	(3.8)	3.3	(3.3)
Barcelona	4.6	(2.5)	2.9	(2.1)	2.1	(na)	3.2	(2.8)	2.8	(2.6)
Stockholm	3.5	(2.7)	2.7	(1.7)	2.0	(na)	2.7	(2.4)	2.7	(2.7)
Zurich	1.0	(1.4)	0.9	(0.8)	1.7	(na)	1.2	(1.0)	1.2	(1.2)
London: City	6.2	(4.4)	3.2	(3.3)	3.3	(na)	4.2	(5.5)	4.1	(4.6)
London: West End	5.4	(3.8)	3.1	(3.1)	2.9	(na)	3.8	(4.7)	3.8	(3.6)
Manchester	5.1	(2.4)	2.0	(1.9)	3.1	(na)	3.4	(2.2)	2.9	(2.2)

Previous survey figures in brackets

*Fewer than five forecasts received for these markets

Survey of European Office Market Rental Forecasts

Table 5: Evolution of 2025 mean weighted rental value growth forecasts (%)

	May-23	Nov-23	May-24	Nov-24	May-25
Vienna	0.6	1.5	2.5	1.3	1.7
Brussels	1.6	1.5	0.9	2.7	2.7
Prague	1.4	1.5	2.1	2.9	2.6
Copenhagen	2.2	1.5	1.0	2.0	1.8
Helsinki	1.9	1.7	1.0	1.4	4.5
Lyon	1.7	2.0	2.1	1.6	1.5
Paris CBD	2.6	2.9	3.2	2.9	2.6
Paris la Défense	1.4	1.7	0.4	0.0	-0.2
Berlin	2.2	2.4	1.8	1.3	1.3
Frankfurt	2.5	2.3	1.7	1.8	4.5
Hamburg	2.3	1.8	2.3	1.5	3.1
Munich	2.8	2.2	1.8	3.8	4.2
Athens*	na	na	na	na	na
Budapest	1.1	1.0	1.3	0.8	0.3
Dublin	1.8	1.8	1.2	1.7	1.4
Milan	1.8	1.5	1.9	2.3	3.4
Rome	1.4	1.2	2.2	2.4	3.9
Luxembourg	1.6	1.9	2.1	2.7	1.7
Amsterdam	2.5	2.1	2.5	2.4	2.9
Oslo	3.5	1.8	2.2	2.6	2.7
Warsaw	2.4	1.8	1.9	2.3	2.6
Lisbon	1.4	1.5	1.3	0.9	6.3
Moscow*	na	na	na	na	na
Madrid	3.2	2.8	2.9	2.9	3.7
Barcelona	2.7	2.9	3.0	2.5	4.6
Stockholm	1.7	2.3	2.3	2.7	3.5
Zurich	1.6	1.1	0.9	1.4	1.0
London: City	4.2	3.2	2.9	4.4	6.2
London: West End	2.0	2.4	3.3	3.8	5.4
Manchester	1.9	1.6	2.1	2.4	5.1
Average All Markets	2.1	1.9	2.0	2.2	3.0

Survey of European Office Market Rental Forecasts

Figures 2 and 3 present the evolution of the rolling three- and five-year average forecasts for each market covered by the surveys from May 2019 to May 2025.

Figure 2: Rolling Three-year Percentage Weighted Average Growth Forecasts (%)

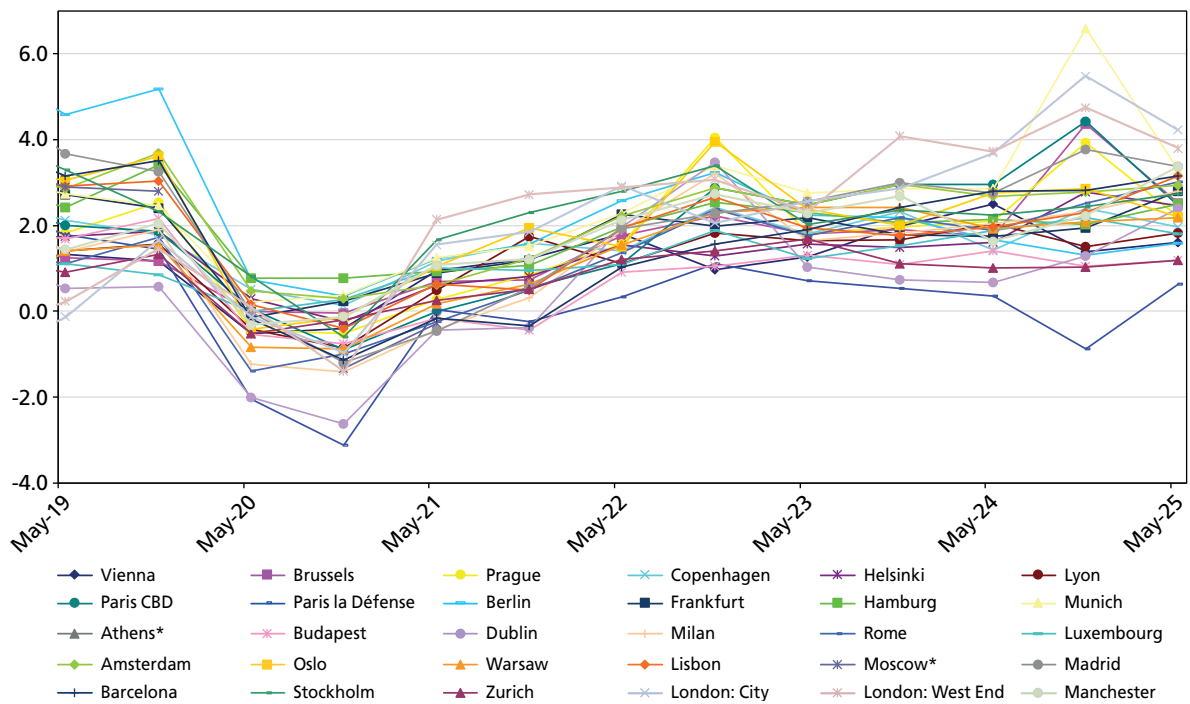
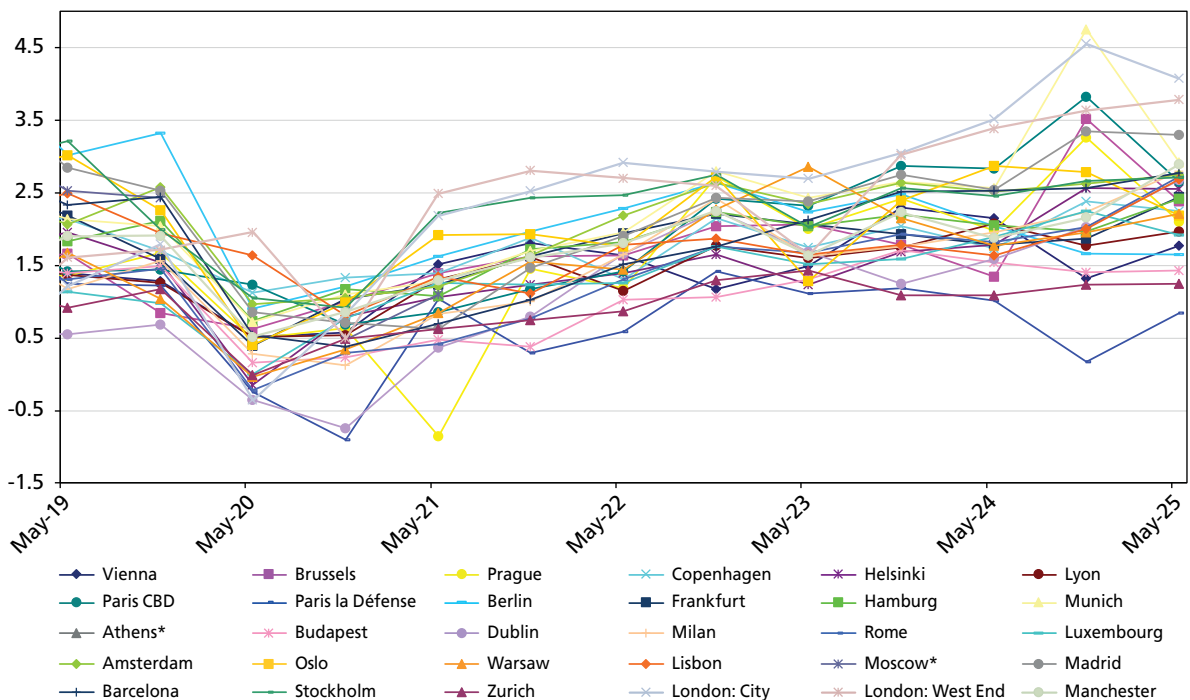


Figure 3: Rolling Five-year Percentage Weighted Average Growth Forecasts (%)



Acknowledgements

Forecast Contributors

IPF thanks all participants in the survey for contributing rental data to the May 2025 European Consensus Forecasts, including the following organisations:

Aberdeen, AEW, AXA Investment Management, blackolive advisors gmbh, Capital Economics, CBRE, CBRE Investment Management, CoStar, Cushman & Wakefield, DWS, Invesco, JP Morgan Asset Management, LaSalle Investment Management and Lisney.

Notes

The IPF European Consensus Forecasts survey currently focuses on office rental value growth in major cities. It is not possible to assemble sufficient forecasts of all sectors across all European countries to produce a meaningful consensus of views, although our ambition is to extend and improve the scope of the survey.

In addition to the rental value forecasts, we run a consensus survey of forecast IPD European total returns by sector. The samples provided for this survey were once again insufficient to permit publication, as fewer than five forecasts were received for each sector/territory. We aim to produce a full release of this data at a future date, once the number of responses has grown to five or more.

The Data

This latest survey collected prime office rental forecasts for 30 centres for the calendar years 2025, 2026 and 2027. A three-year average forecast for 2025-2027 is requested where individual years are not available, as well as a five-year average for the period 2025-2029. The survey requested both percentage annual rental growth rates and year-end rent levels as a check. Growth forecasts provided by each organisation are analysed to provide weighted average ('consensus') figures for each market. Forecasts are aggregated and reported only for office markets for which a minimum of **five** contributions have been received.

The definition of **market rent** used in the survey is the "**achievable prime rental values for city centre offices, based on buildings of representative size with representative lease terms for modern structures in the best location.**" **Prime** in this case **does not mean headline** rents taken from individual buildings but, rather, rental levels based on market evidence, which can be replicated. All figures included in the survey are required to have been generated by formal forecasting models. This report is based on contributions from 14 different organisations (fund/investment management houses and property advisors).

Consensus forecasts further the objective of the Investment Property Forum (IPF) to enhance the understanding and efficiency of the property market. The IPF is extremely grateful for the support those organisations that contribute to this publication, which is only possible thanks to the provision of individual forecasts.

The IPF welcomes new contributors for future surveys, so that the coverage can be extended to further markets. If your organisation wishes to contribute to future surveys, please contact IPF Chief Executive, Sue Forster, at sforster@ipf.org.uk.

Contributors receive a more detailed set of statistical outputs than those shown in this report – for each office centre, the sample size, median and range of rental values, together with standard deviations are also provided.

Notes

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