

Savills: American buyers increasingly attracted by European real estate

2 years ago



According to Savills latest research, pricing levels are increasingly attracting North American investors to European real estate.

In 2022, North Americans invested more than Europeans cross border, €48bn compared to €36.6bn, which is 31% above the five-year average for the former.

The international real estate advisor anticipates that North American investors will again be the largest investor group in European real estate by the end of the year.

Looking to Asia, given the typical flexibility of Singaporean investors, Savills expects continued deployment across various sectors and geographies in Europe during the course of 2023. Singapore is increasingly viewed as the hub for economic activity in the region and as such acts as a funnel for outbound capital flows from other Asia Pacific jurisdictions.

James Burke, Director, European Capital Markets & Global Cross Border Investment at Savills, says: “We foresee a diverse range of cross border investors being attracted to European real estate during the course of 2023. Much of this will be opportunity-led, with investors engaging on processes where there is a discernible pricing adjustment.”

“Investors with less appetite for risk should focus on strategies targeting income-driven assets in the most appealing locations and sectors in Europe. These should be chosen based on long-term trends, thereby offering greater stability and resilience to market fluctuations.”

Lydia Brissy, Director, European Research at Savills, comments: “All in all, we expect investment activity

to remain subdued in Europe until the second half of the year when the economy will slowly start to pick up. We anticipate total European real estate investment volumes for 2023 to range between €230bn and €240bn, a decrease of 17%-20% yoy."

To read the report, please visit: https://www.savills.com/research_articles/255800/340589-0