DG ESTAT
Submitted electronically

Brussels, 08 July 2025

SUBJECT:

EPRA's feedback on the non-financial commercial real estate statistics Regulation

Dear Sir/Madam,

The European Real Estate Association (EPRA) is the voice of Europe's listed real estate companies, their investors, and suppliers. With more than 290 members covering the entire spectrum of the listed real estate industry, EPRA represents over EUR 880 billion in real estate assets and 95% of the market capitalisation of the FTSE EPRA Nareit Europe Index.

EPRA's mission is to promote, develop, and represent the European public real estate sector. We achieve this by providing better information to investors and stakeholders, actively engaging in public and political debates, promoting best practices, and fostering cohesion and strength within the industry.

In this capacity, we welcome the opportunity to provide feedback on the proposed Regulation for non-financial commercial real estate statistics.

THE LISTED REAL ESTATE MARKET (LRE)

LRE is a significant market with around **EUR 3 trillion of market cap globally**. LRE companies are guardians of our cities' high-quality assets, covering all types of real estate, from offices to retail, as well as an increasing presence in healthcare, retirement facilities, life science facilities, and data centres. In Europe alone, European LRE companies own over 12,000 commercial assets. These diversified portfolios are spread across 9 different sectors in 20 different countries, with **the EU LRE property portfolio currently amounting to an impressive EUR 620.8 billion**. They are also great contributors to GDP and society as they represent hundreds of thousands of jobs on our continent.

KEY PERSPECTIVES AND RECOMMENDATIONS

Overview and general position

EPRA welcomes the European Commission's effort to establish a harmonised statistical framework for non-financial commercial real estate (CRE) data. The objectives—closing critical data gaps, improving comparability across Member States, and enhancing the basis for macro-prudential supervision—are legitimate and timely.

However, the proposal raises concerns regarding legal clarity, proportionality, data governance, and the implied roles of organisations such as EPRA and its members. These issues require clearer articulation in the final text to ensure that the Regulation remains feasible, effective, and equitable.

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Scope and intent of the Regulation

The Regulation seeks to mandate Member States to report on five core CRE 'non-financial' indicators:

- Price indices
- Rental indices
- Construction starts and completions
- Building permits
- Transaction values

Data is to be sourced primarily from public administrative sources, but Article 4(5) allows Eurostat or national statistical institutes (NSIs) to request data free of charge from private holders when deemed "strictly necessary".

Legal ambiguity: Role of the private sector and EPRA

While the Regulation formally targets national statistical systems, Article 4(5) effectively opens the door to compulsory data requests to private actors. More importantly, the Regulation states that *''the data used for the statistics will be sourced from existing administrative databases and from real estate organisations which collect relevant data, or will be based on statistical information already collected from businesses.''*

A clear distinction should be made to ensure that no additional burden is placed on associations that do not collect raw, property-level market data from their members.

While EPRA supports better data for policymaking, it does not serve as a repository for this type of data. A clear legal boundary must be introduced to prevent misinterpretation of the Regulation's reach toward entities like EPRA. The Regulation must explicitly state that:

- Business real estate associations without primary data collection functions are not subject to data provision or harmonisation duties.
- Engagement with such associations should be limited to voluntary, advisory roles, such as during pilot studies or technical working groups.

Lack of clear definitions for commercial real estate

The current definition of "commercial real estate" is overly broad and ambiguous. This is problematic because, unlike the residential sector, the CRE market is highly fragmented, encompassing a wide range of asset types, from high-street shops and shopping centres to offices, logistics hubs, hotels, data centres or healthcare facilities. Aggregating these under a single indicator risks distorting the data. Effective data collection requires a granular, subsector-based taxonomy. Without such clarity, cross-country comparisons and policy analysis will be flawed from the outset.

Consistency with established EU financial and statistical legislation should guide the definition of these subcategories. To refine the terminology used in level 2 texts, we suggest close consultation with technical experts and representative bodies such as EPRA.

Proportionality and administrative burden

Although the Commission claims the Regulation will have minimal impact on businesses, it may introduce new reporting obligations indirectly, particularly if National Statistical Institutes (NSIs) are unable to meet data requirements using administrative sources. Listed property companies may be asked to restructure proprietary datasets to align with EU standards. A proportional approach is essential to avoid imposing an additional layer of compliance on companies.

Data sensitivity and confidentiality

We underline the critical need to protect the confidentiality of commercially sensitive data. While the explanatory memorandum references Regulation (EC) No 223/2009 on European statistics—which establishes strong safeguards for statistical confidentiality—we believe this principle should also be explicitly stated within the main body of the proposed regulation.

Regulation 223/2009, particularly Article 20 and its subsequent amendments, offers a solid legal framework for confidentiality. However, directly embedding these protections in the new text would provide stronger legal certainty and encourage the voluntary cooperation of data providers.

As it stands, the draft Regulation does not include clear provisions to protect proprietary information or ensure competitive neutrality, especially in cases where private-sector datasets may be involved. This absence raises concerns about the potential exposure of sensitive business data and may deter engagement from market participants.

Continued engagement with the industry

We strongly recommend that the Commission maintain ongoing dialogue with industry stakeholders to ensure that definitions and data collection methods are aligned with real-world market practices. Key terms like "rent" or "usable floor area" are interpreted differently across Member States, influenced by factors such as valuation methods, lease terms, or building specifications. Without a consistent understanding, data comparability and reliability could be compromised. To produce reliable statistics across jurisdictions, it will be crucial to develop clear, standardised definitions in collaboration with market participants.

POLICY RECOMMENDATIONS

Our recommendations:

- Clarify the role and definition of real estate associations: **Exclude entities such as EPRA, which do not collect non-financial commercial real estate data**, from any data provision or reporting obligations.
- **Clarify the definition of commercial real estate** to reflect the sector's diversity and ensure robust, comparable data across Member States.
- Ensure **safeguards for commercially sensitive information** and ensure equal treatment for all real estate market participants.
- **Maintain active engagement with the real estate industry** to ensure consistent definitions and reliable statistics across Member States.

EPRA is readily available to provide any additional information you may need. You can reach us directly at publicaffairs@epra.com.

About EPRA

For 25 years, the European Public Real Estate Association (EPRA) has been the voice of Europe's listed real estate companies, investors, and their suppliers. EPRA achieves this through providing better information to investors and stakeholders, active involvement in the public and political debate, promotion of best practices, and the cohesion and strengthening of the industry. With more than 290 members (companies, investors, and their suppliers), EPRA represents over 880 billion EUR of real estate assets (European companies only) and 95% of the market capitalisation of the FTSE EPRA Nareit Europe Index. Find out more about our activities on www.epra.com.

EU Transparency Register no. 09307393718-06

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