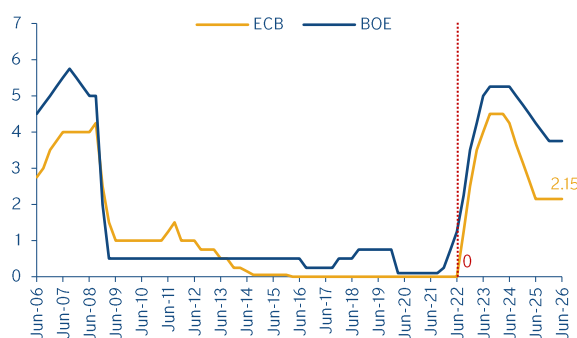


This time may be different

In our report “A decade of change” (here), we looked at some of the main trends in the European LRE sector over the past decade, highlighting how companies have evolved to adapt their portfolios and balance sheets to different market conditions. Today, this ‘adaptability’ is being tested again, as markets have been reacting to the geopolitical situation. Current market expectations are that where inflation, and therefore yields are going to end up by year end will largely depend on the **length** of the US-Iranian conflict. This is intuitive: a sustained conflict would keep oil prices higher for longer, feed through inflation, and likely force central banks to either keep policy rates as they are or start hiking before year end.

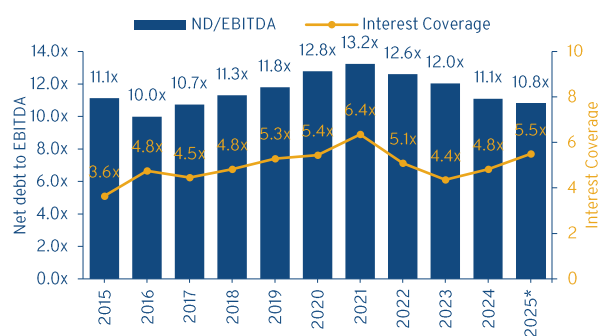
The most recent precedent, although in a different geopolitical landscape, is the energy shock that followed the Russian invasion of Ukraine in 2022. Back then, oil jumped roughly 30% between Feb’22 and Mar’22¹, contributing to an inflation peak in the Eurozone of around 10.6% in October 2022², and forcing the ECB to run its fastest and largest hiking cycle in history: 450 bps in 14 months. By way of analogy, one could expect a similar scenario today, considering the recent market turmoil. In practice, though, the starting point is **far from similar**. When the ‘22 energy shock happened, rates had been low or negative for roughly a decade and even more accommodative in the aftermath of Covid-19 (Chart 1).

Chart 1: Policy rates in the last 20 years



Source: EPRA Research LSEG Data

Chart 2: Average European net debt to EBITDA ratio & Interest Coverage ratio³



Source: EPRA Research, Bloomberg

Today, by contrast, the **ECB** would have to react from a more “neutral” stance, with the main refinancing rate stable at 2.15%⁴. The European listed real estate sector is also in a different place today. Average net debt to EBITDA stood at around **13x** going into the 2022 shock; today, it sits at around **10.8x** and has been **declining** since 2021. While the European LRE sector remains structurally sensitive to rates, the combination of a less accommodative starting point in terms of policy rates, lower leverage, and an increased ability to service the debt (Chart 2), suggest that the sector is better equipped today to navigate uncertain market conditions and higher policy rates.

In April, the **Developed Europe** Index has delivered a total return of 5.6%, compared to 7.1% in **North America** and 5.6% in **Developed Asia Pacific**. As the geopolitical context is in constant evolution, performance across regions and sectors is volatile and unpredictable. More insights on the performance in April of the FTSE EPRA Nareit Index series in euro terms can be found in the following pages.

¹ Brent – 24/02/22 - 03/08/22

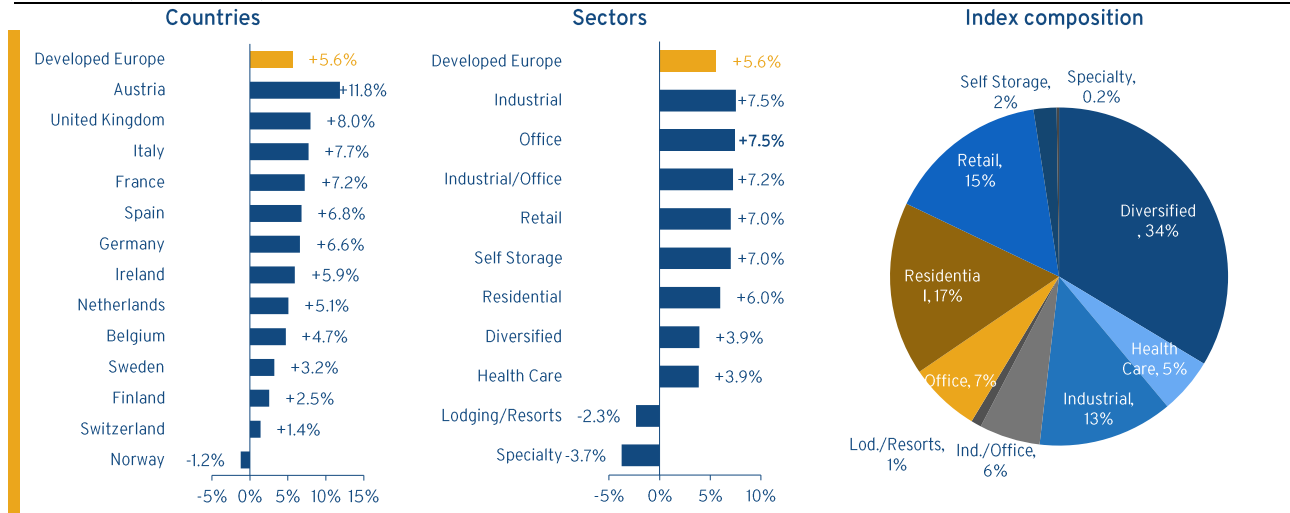
² HICP All Items YoY

³ EPRA Estimates

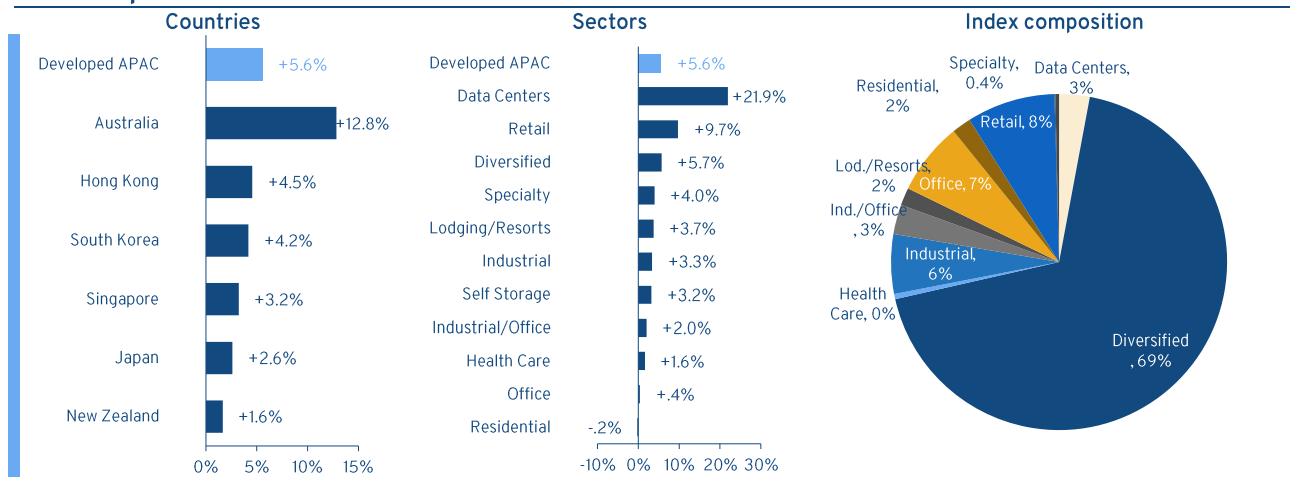
⁴ ECB – 30/04/2026

Regional Focus – April 2026*

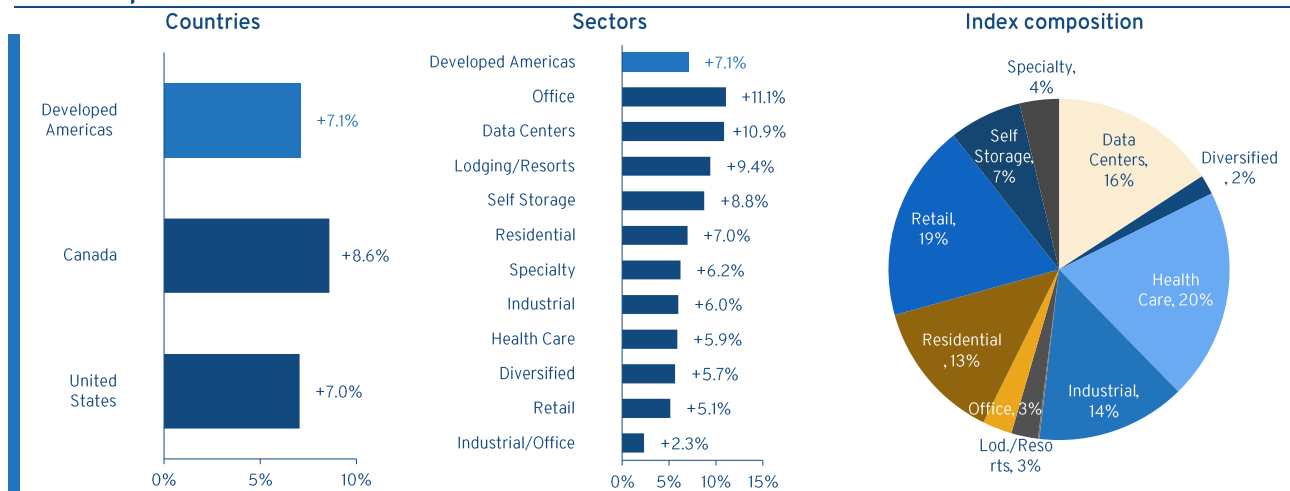
Developed Europe



Developed Asia Pacific



Developed North America



*Total returns in EUR – EPRA Research, Bloomberg

Our Research

A decade of change

Over the past decade, European listed real estate has navigated one of the most turbulent and transformative decades in recent history. From geopolitical uncertainty to a dramatic reversal in monetary policy, this decade represented a real test for the listed real estate sector.

In our latest research report, we explore what happened throughout this decade and what potentially could lie ahead.

Read more [here](#).

FTSE EPRA Nareit Developed Europe Index, 5Y before and after COVID



Our monthly publications

EPRA LTV monitor:

Insights on debt levels and capital raising amongst European constituents by sector/geography.

EPRA NAV bulletin:

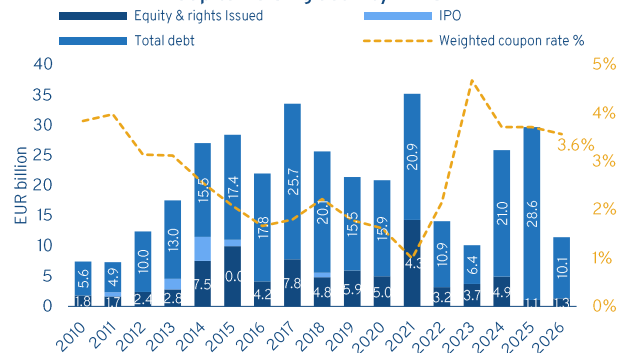
Insights on premiums/discounts to Net Asset Value by sector/geography/constituents.

EPRA Monthly Statistical Bulletin:

Insights on the performance of the FTSE EPRA Nareit Global Index series and its constituents.

Find out more at: [Monthly Reports](#)

Capital raising activity in EUR



Returns

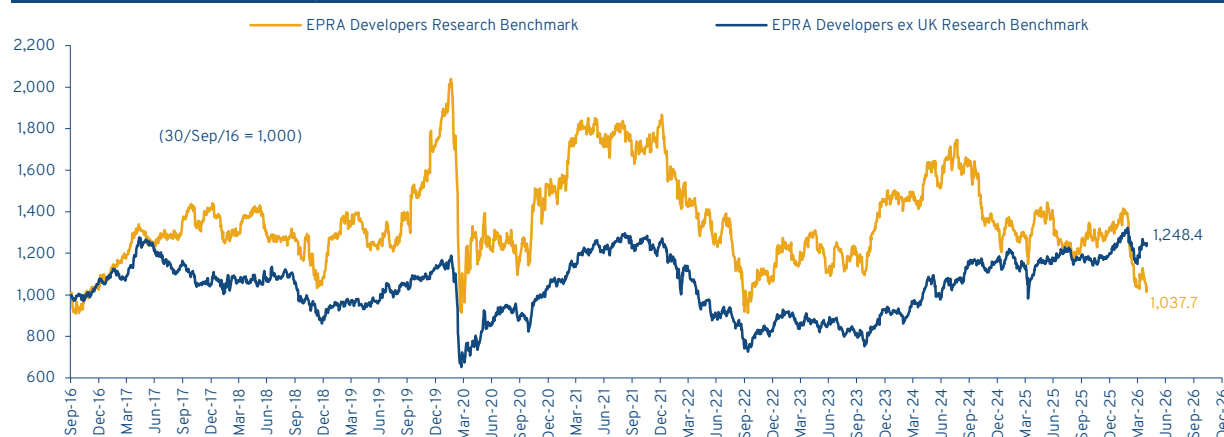
% Total Returns (EUR)	Apr-26	YTD	1Y	3Y*	5Y*	10Y*
Global Real Estate ▲	6.6	10.1	14.7	7.9	3.8	4.4
Global Equities (FTSE) ▲	8.2	6.8	27.3	18.2	12.4	13.0
Global Bonds (JP Morgan) ▼	-0.8	-0.4	-3.4	-1.0	-2.4	-0.7
Europe Real Estate ▲	5.6	1.0	2.8	6.8	-2.5	1.0
Europe Equities (FTSE) ▲	5.5	4.5	19.6	13.1	10.5	9.4
Europe Bonds (JP Morgan) ▲	0.4	-0.5	-0.5	2.1	-2.6	-0.4
Asia Real Estate ▲	5.6	3.4	17.4	4.7	1.7	2.7
Asia Equities (FTSE) ▲	11.0	17.8	41.7	18.2	9.7	9.5
Asia Bonds (JP Morgan) ▼	-0.2	-1.7	-15.1	-8.9	-8.3	-4.7
North America Real Estate ▲	7.1	14.2	15.7	9.1	5.8	5.8
North America Equities (FTSE) ▲	8.2	6.1	27.2	19.0	12.7	14.4
North America Bonds (JP Morgan) ▼	-1.7	0.1	-0.6	0.4	0.3	0.9
Emerging Real Estate ▲	6.2	3.6	11.5	2.4	-3.0	1.5
Emerging Equities (FTSE) ▲	8.4	7.4	27.5	15.5	6.2	8.7
Emerging Bonds (JP Morgan) ▲	2.5	0.0	10.0	7.5	0.0	1.4

*Annualized – EPRA Research, Bloomberg

EPRA Developers Research Benchmark

Flat month for European Developers. The evident geopolitical uncertainty affecting the global markets is also affecting the European homebuilders and commercial developers, generating significant returns dispersion. The EPRA Developers Research Benchmark showed total return of 0.1% in EUR in April, maintaining the YTD figure also negative at -20.6%. Last month, two countries showed negative returns, with the UK Homebuilders leading the red numbers with -2.76%, followed by Sweden with -0.96%. On the other hand, the top performers were Poland (16.9%), Germany (14.8%) and Denmark (10.3%) that were benefited from lower inflation expectations, which was reflected in a positive performance of the Developers ex UK Benchmark (7.6%). The benchmark still has 26 constituents and EUR 33,470 million in full market cap.

Performance as of: Apr-26



EPRA DEVELOPERS RESEARCH BENCHMARK Return	Developed Europe			Developed Europe ex UK		
	YTD	6M	5Y	YTD	6M	5Y
Total Return	-20.6%	-17.8%	-37.2%	4.4%	7.4%	10.1%
Maximum Return	7.1%	7.1%	7.1%	4.3%	4.3%	5.6%
Minimum Return	-4.6%	-4.6%	-6.1%	-3.5%	-3.5%	-3.8%
Mean Return (Annualized)	-48.2%	-31.5%	-6.1%	15.9%	16.0%	3.5%
Maximum Drawdown	-28.3%	-28.3%	-51.1%	-13.2%	-13.2%	-44.1%
Maximum Drawdown Length	54	54	201	21	21	286
Risk	YTD	6M	5Y	YTD	6M	5Y
	YTD	6M	5Y	YTD	6M	5Y
Standard Deviation (Annualized)	28.6%	25.8%	24.6%	19.1%	16.5%	17.3%
Downside Risk (Annualized)	19.5%	17.7%	17.7%	13.1%	11.3%	12.6%
Kurtosis	2.48	2.70	1.64	0.02	0.03	0.02
Skewness	56.8%	46.6%	-10.3%	0.2%	0.3%	-0.2%
Semivariance (Annualized)	29.1%	25.8%	25.2%	18.4%	15.7%	18.1%
VaR 95% (ex-post)	-2.99	-2.63	-2.52	-1.89	-1.23	-1.80
Risk-Adjusted Performance	YTD	6M	5Y	YTD	6M	5Y
	YTD	6M	5Y	YTD	6M	5Y
Sharpe Ratio	-1.75	-1.29	-0.32	0.73	0.85	0.09

The EPRA Developers Research Benchmark is an equity index aiming to represent the aggregated performance of the most significant and liquid real estate developers in Europe, including both residential and commercial developers.

This is a benchmark developed for research purposes only, using free float market cap as the main input for computing index weights. The final list of constituents has been filtered applying a comprehensive methodology that combines both market and real estate criteria to determine the best companies to represent the sector.

Two sub-indexes are also computed: 1) Liquid Developers (FFMC > EUR 500M) and 2) Residential Developers.

Key Features

Industry: Real Estate Developers
Launch Date: 31/Dec/2021
Geography: Developed Europe
Weights Input: FF Market cap
Base Currency: EUR
Base Date: 30/Sep/2016
Base Value: 1,000
Review Dates: April, October

Eligibility Criteria

EBITDA: ≥ 50% from Property Development Activities
Size: > 0.30% of the Benchmark size and Minimum of EUR 150 Million in FFMC
Liquidity: ≥ 0.05% of their (FF) shares in issue based on their median daily trading volume per month
Reporting: public AR in English (Full set of audited FS, notes and Mgt Report)
Geography: ≥ 75% EBITDA from Developed countries
Assets: ≥ 50% of Total Tangible Assets invested in RE. No Holding structures.
Eligible Markets: Premium and main trading segments of official stock exchanges.
Data Availability: Monthly computations. Performance figures available on this report.
 Raw data accessible on demand at research@epra.com



Constituents as of Performance as of: Apr-26

Return	Classification	Weight	Country	TR 1M	TR 1Y	Std.Dev
BERKELEY GROUP HOLDINGS/THE	Residential	12.30%	UK	-5.7%	-24.2%	29.0%
BARRATT REDROW PLC	Residential	14.95%	UK	-0.8%	-44.2%	31.0%
TAYLOR WIMPEY PLC	Residential	11.62%	UK	-8.2%	-29.3%	27.2%
PERSIMMON PLC	Residential	14.57%	UK	0.0%	-15.7%	31.3%
VISTRY GROUP PLC	Residential	4.61%	UK	-0.5%	-48.8%	48.1%
BELLWAY PLC	Residential	10.26%	UK	4.5%	-28.1%	36.4%
CREST NICHOLSON HOLDINGS	Residential	0.71%	UK	-33.8%	-62.9%	57.1%
HARWORTH GROUP PLC	Diversified	0.87%	UK	-7.3%	-24.1%	22.6%
MJ GLEESON PLC	Residential	0.49%	UK	-13.6%	-54.2%	40.1%
WATKIN JONES PLC	Residential	0.24%	UK	-9.2%	-29.2%	45.6%
NEXITY	Residential	1.31%	France	6.1%	-8.3%	45.9%
KAUFMAN & BROAD SA	Residential	1.70%	France	-2.3%	-14.5%	24.0%
METROVACESA SA	Residential	1.75%	Spain	7.4%	25.2%	29.4%
NEINOR HOMES SA	Residential	3.30%	Spain	0.7%	17.1%	29.3%
AEDAS HOMES SA	Residential	0.67%	Spain	0.0%	-7.6%	21.3%
IMMOBEL	Diversified	0.35%	Belgium	8.9%	22.5%	35.3%
CAIRN HOMES PLC	Residential	4.65%	Ireland	8.1%	18.1%	30.1%
GLENVEAGH PROPERTIES PLC	Residential	3.51%	Ireland	9.0%	27.7%	22.9%
DEVELIA SA	Diversified	3.86%	Poland	19.6%	52.8%	31.1%
DOM DEVELOPMENT SA	Residential	1.73%	Poland	16.2%	25.4%	28.4%
MURAPOL SA	Residential	1.02%	Poland	9.0%	19.5%	26.1%
HUSCOMPAGNIET A/S	Residential	0.33%	Denmark	10.3%	-32.3%	27.3%
INSTONE REAL ESTATE GROUP SE	Residential	0.96%	Germany	14.8%	14.7%	39.7%
SELVAAG BOLIG ASA	Residential	0.37%	Norway	8.8%	8.5%	21.0%
JM AB	Residential	2.09%	Sweden	-1.0%	-23.3%	30.8%
CHAM SWISS PROPERTIES AG	Diversified	1.76%	Switzerland	6.0%	22.6%	15.9%

Developers Sub-Indexes: Risk and Return	YTD	6 Months	5 Years	Sharpe	5Y Max. Drawdown
Liquid Developers: Total Return	-22.4%	-19.3%	-42.9%	-0.36	-51.85%
Standard Deviation (Annualized)	0.30	27.58%	0.26		201 Days
Residential Developers: Total Return	-22.3%	-19.5%	-41.5%	-0.36	-51.75%
Standard Deviation (Annualized)	0.30	27.05%	0.25		201 Days

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