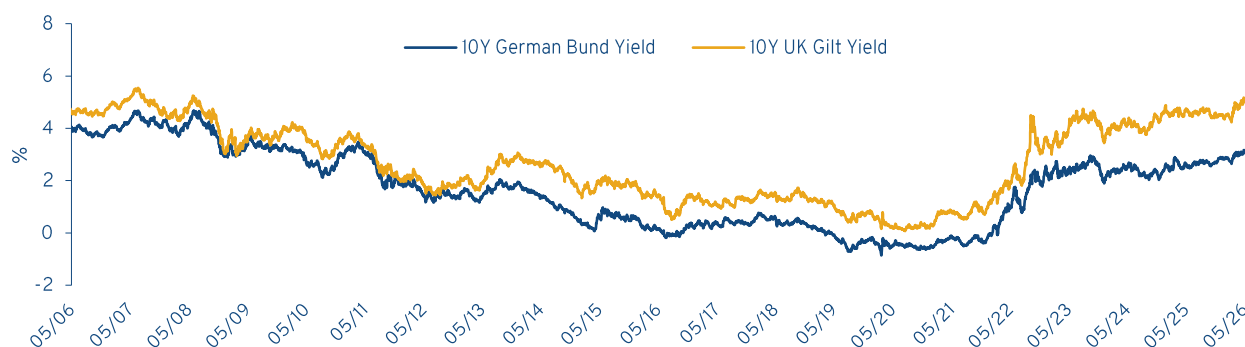


This time may be different (répété)

This month, long-end reference yields across major economies have reached multi-year highs. This comes as markets price in higher inflation risk and weaker growth expectations, following the prolonged conflict in the Middle East and the closure of the strategically critical Strait of Hormuz. In Europe, the 10-year German Bund yield has reached 3.2%, the highest level in the past 15 years and in the UK the 10-year Gilt yield has risen above 5% for the first time since July 2008 (Chart 1). Across the Atlantic, the picture is quite similar, with the 10-year Treasury yield peaking at 4.6% on May 19.

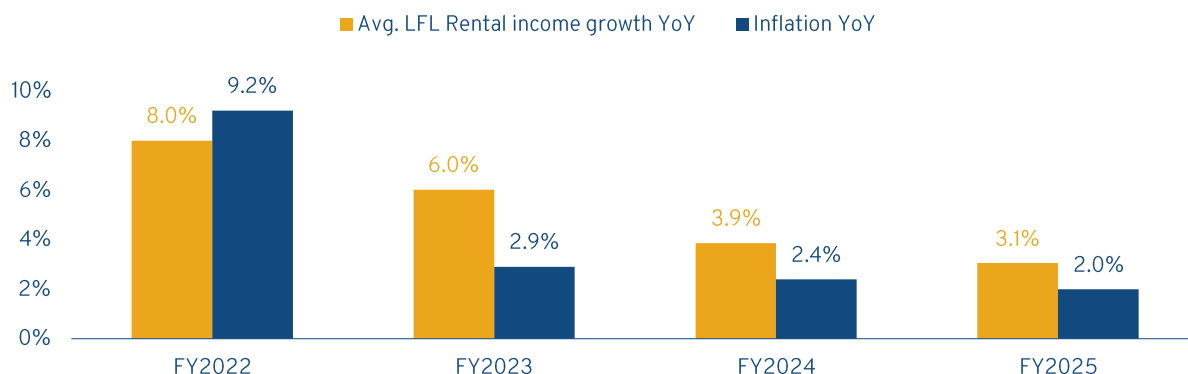
Chart 1: 10-year reference yields in Germany and the UK



Source: EPRA Research – Bloomberg

As the long end rises, valuations using the 10-year reference yields as a proxy for the risk-free rate come under pressure, with public markets adjusting before private ones. European listed real estate has already lived through this once: the discount to NAV widened from 6% in August 2021 to 46% in September 2022, and has since stabilized at 25-30%, meaning a higher-rate world is largely already priced in. Importantly, this re-pricing does not necessarily reflect operating deterioration: like-for-like rental growth has consistently outpaced inflation since 2022, supported by indexation, reversion and active asset management (Chart 2).

Chart 2: Average like-for-like rental income year-over-year¹

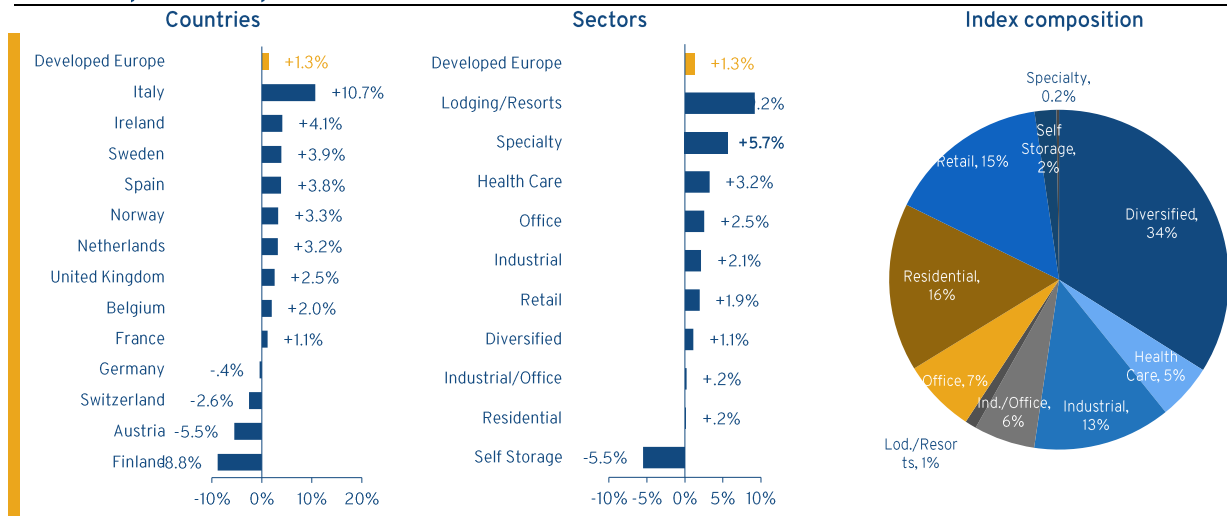


The performance from here on will depend on the duration of the conflict. If the situation remains static or worsens, pressure could rise on both valuation and financing, but the sector would arguably be better positioned to absorb the shock. To read more: [here](#). For more information on returns as of month-end for the various geographies and sectors, please find more details in the following pages.

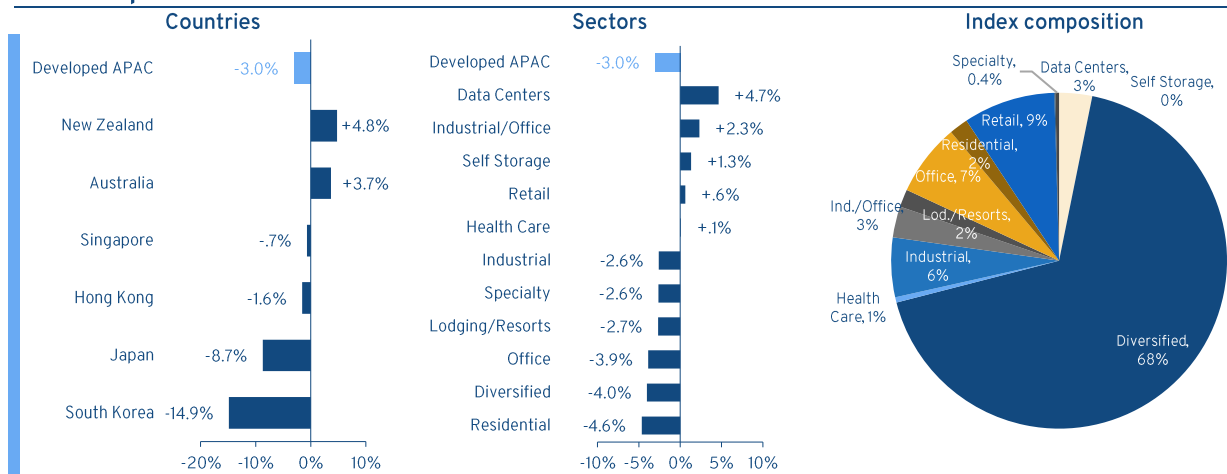
¹ EPRA Research – Companies annual reports, largest 50 constituents in the FTSE EPRA Nareit Developed Europe Index

Regional Focus – May 2026*

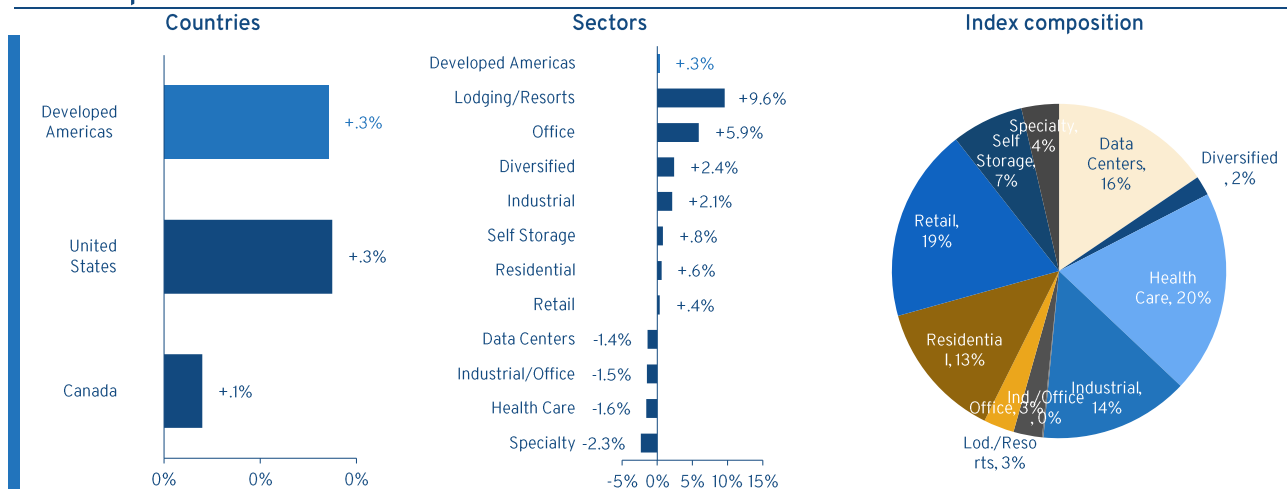
Developed Europe



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:

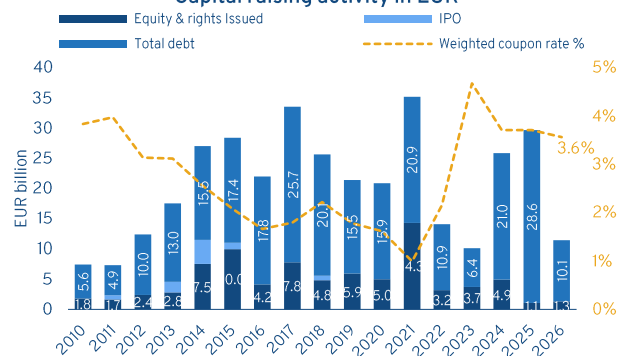
Insights on premiums/discounts to Net Asset Value by sector/geography/constituents.

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

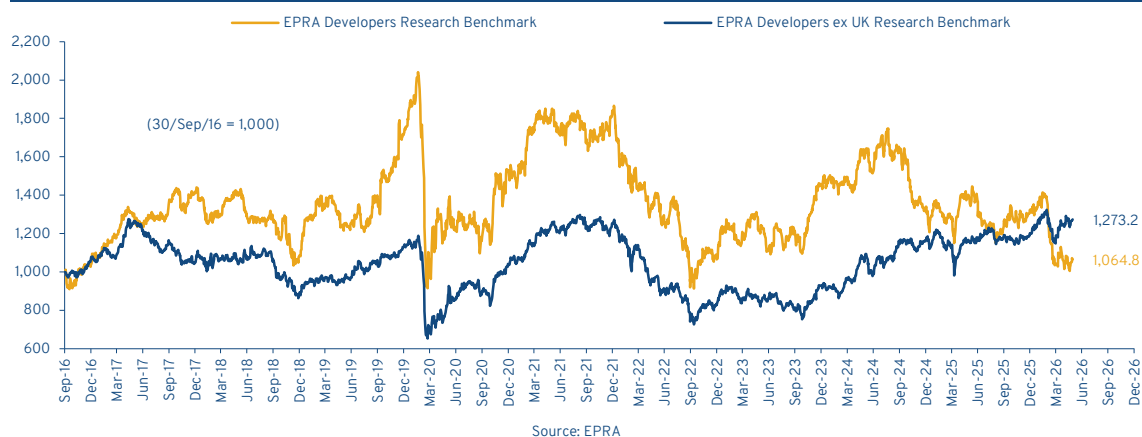
% Total Returns (EUR)	May-26	YTD	1Y	3Y*	5Y*	10Y*
Global Real Estate ▲	-0.3	9.8	11.3	8.2	3.6	4.1
Global Equities (FTSE) ▲	6.0	13.2	27.2	19.4	13.7	13.2
Global Bonds (JP Morgan) ▼	0.5	0.1	-2.2	-1.3	-2.2	-0.8
Europe Real Estate ▲	1.3	2.3	-0.1	10.0	-3.0	0.8
Europe Equities (FTSE) ▲	3.2	7.9	17.5	15.2	10.6	9.5
Europe Bonds (JP Morgan) ▲	1.2	0.7	0.7	2.5	-2.4	-0.4
Asia Real Estate ▲	-3.0	0.3	10.5	4.1	1.1	2.5
Asia Equities (FTSE) ▲	10.1	29.6	48.8	20.8	11.8	10.4
Asia Bonds (JP Morgan) ▼	-1.2	-2.9	-14.8	-9.5	-8.3	-4.8
North America Real Estate ▲	0.3	14.6	13.5	9.1	6.0	5.4
North America Equities (FTSE) ▲	5.5	11.9	26.0	19.7	14.1	14.5
North America Bonds (JP Morgan) ▼	0.6	0.7	0.9	-0.2	0.7	0.7
Emerging Real Estate ▲	1.1	4.7	11.0	4.7	-2.7	1.9
Emerging Equities (FTSE) ▲	4.1	11.8	27.5	16.6	6.8	9.2
Emerging Bonds (JP Morgan) ▲	0.9	0.9	10.0	8.1	0.0	1.5

*Annualized – EPRA Research, Bloomberg

EPRA Developers Research Benchmark

European Developers remained in flat trend in May. After some initial positivism around a potential peace agreement in the Middle East, the lack of a clear conclusion in the negotiations affected the global markets and limited additional positive returns for the European homebuilders and commercial developers. The EPRA Developers Research Benchmark showed total return of 2.6% in EUR in May, reducing the YTD figure to -18.5%. The lack of a strong trend continued generating dispersion, where Switzerland, Germany and Spain showed the lowest returns (-5.36%, -5.22% and -3.32% respectively) and Ireland, Sweden and Norway the highest returns (8.37%, 4.71% and 4.07% respectively). Simultaneously, the UK Homebuilders (2.86%) outperformed the Continental Developers (2.00%). Finally, the benchmark still has 26 constituents and EUR 33,762 million in full market cap.

Performance as of: May-26



EPRA DEVELOPERS RESEARCH BENCHMARK

Return	Developed Europe			Developed Europe ex UK		
	YTD	6M	5Y	YTD	6M	5Y
Total Return	-18.5%	-18.0%	-36.4%	6.4%	6.9%	9.1%
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)	-36.9%	-30.5%	-5.9%	18.4%	15.9%	3.3%
Maximum Drawdown	-28.9%	-28.9%	-51.1%	-13.2%	-13.2%	-44.1%
Maximum Drawdown Length	68	68	201	21	21	286
Risk	YTD	6M	5Y	YTD	6M	5Y
	YTD	6M	5Y	YTD	6M	5Y
Standard Deviation (Annualized)	27.7%	26.0%	24.6%	18.5%	17.1%	17.4%
Downside Risk (Annualized)	18.9%	18.1%	17.7%	12.7%	11.7%	12.6%
Kurtosis	2.39	2.74	1.64	0.02	0.02	0.02
Skewness	50.9%	42.6%	-9.4%	0.3%	0.3%	-0.1%
Semivariance (Annualized)	28.1%	27.0%	25.2%	18.1%	16.8%	18.1%
VaR 95% (ex-post)	-2.82	-2.67	-2.53	-1.89	-1.61	-1.80
Risk-Adjusted Performance	YTD	6M	5Y	YTD	6M	5Y
	YTD	6M	5Y	YTD	6M	5Y
Sharpe Ratio	-1.40	-1.25	-0.32	0.89	0.82	0.08

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	Eligibility Criteria
Industry: Real Estate Developers	EBITDA: ≥ 50% from Property Development EBITDA: ≥ 75% from Real Estate Activities
Launch Date: 31/Dec/2021	Size: > 0.30% of the Benchmark size and Minimum of EUR 150 Million in FFM
Geography: Developed Europe	Liquidity: ≥ 0.05% of their (FF) shares in issue based on their median daily trading volume per month
Weights Input: FF Market cap	Reporting: public AR in English (Full set of audited FS, notes and Mgt Report)
Base Currency: EUR	Geography: ≥ 75% EBITDA from Developed countries
Base Date: 30/Sep/2016	Assets: ≥ 50% of Total Tangible Assets invested in RE. No Holding structures.
Base Value: 1,000	Eligible Markets: Premium and main trading segments of official stock exchanges.
Review Dates: April, October	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: May-26

Return	Classification	Weight	Country	TR 1M	TR 1Y	Std.Dev
BERKELEY GROUP HOLDINGS/THE	Residential	12.84%	UK	7.1%	-20.7%	29.3%
BARRATT REDROW PLC	Residential	15.24%	UK	4.6%	-41.9%	31.9%
TAYLOR WIMPEY PLC	Residential	11.58%	UK	2.2%	-29.7%	27.6%
PERSIMMON PLC	Residential	14.92%	UK	5.0%	-15.1%	31.9%
VISTRY GROUP PLC	Residential	3.83%	UK	-14.9%	-57.2%	49.7%
BELLWAY PLC	Residential	10.16%	UK	1.6%	-29.0%	36.9%
CREST NICHOLSON HOLDINGS	Residential	0.75%	UK	8.2%	-61.3%	58.2%
HARWORTH GROUP PLC	Diversified	0.78%	UK	-8.4%	-31.4%	22.9%
MJ GLEESON PLC	Residential	0.51%	UK	6.0%	-52.3%	41.6%
WATKIN JONES PLC	Residential	0.23%	UK	-2.3%	-27.6%	42.1%
NEXITY	Residential	1.25%	France	-2.6%	-16.5%	45.8%
KAUFMAN & BROAD SA	Residential	1.65%	France	-0.4%	-17.2%	23.7%
METROVACESA SA	Residential	1.64%	Spain	-3.8%	19.6%	28.6%
NEINOR HOMES SA	Residential	3.08%	Spain	-4.2%	18.0%	28.6%
AEDAS HOMES SA	Residential	0.67%	Spain	2.2%	-0.9%	18.9%
IMMOBEL	Diversified	0.33%	Belgium	-3.2%	18.5%	35.1%
CAIRN HOMES PLC	Residential	4.92%	Ireland	8.6%	11.2%	29.9%
GLENVEAGH PROPERTIES PLC	Residential	3.69%	Ireland	8.1%	26.4%	23.1%
DEVELIA SA	Diversified	3.92%	Poland	4.3%	54.2%	31.3%
DOM DEVELOPMENT SA	Residential	1.68%	Poland	-0.1%	14.9%	27.8%
MURAPOL SA	Residential	0.99%	Poland	-0.4%	19.1%	25.0%
HUSCOMPAGNIET A/S	Residential	0.33%	Denmark	3.8%	-34.2%	28.7%
INSTONE REAL ESTATE GROUP SE	Residential	0.89%	Germany	-5.2%	-0.3%	40.4%
SELVAAG BOLIG ASA	Residential	0.37%	Norway	4.0%	8.5%	20.8%
JM AB	Residential	2.13%	Sweden	4.7%	-18.0%	30.8%
CHAM SWISS PROPERTIES AG	Diversified	1.62%	Switzerland	-5.4%	14.2%	15.3%

Developers Sub-Indexes: Risk and Return	YTD	6 Months	5 Years	Sharpe	5Y Max. Drawdown
Liquid Developers: Total Return	-20.1%	-19.4%	-41.9%	-0.35	-51.85%
Standard Deviation (Annualized)	0.30	27.73%	0.26		201 Days
Residential Developers: Total Return	-20.1%	-19.7%	-40.6%	-0.35	-51.75%
Standard Deviation (Annualized)	0.29	27.14%	0.25		201 Days

Useful links	EPRA Education Programmes	Contacts
EPRA's monthly publications at: Monthly Reports	EPRA Bayes Business School Online Programme. Understanding the REIT price An online programme dedicated to understanding the listed real estate sector, stay tuned for the 2026 Edition.	EPRA Index & Research Team Giovanni Curatolo Research and Index Analyst g.curatolo@epra.com
Insights on the FTSE EPRA Nareit Index series at: Indexes Uncovered		
EPRA's research blog articles at EPRA's Blog	EPRA INSEAD Executive Education Programme (2026) Held in partnership with INSEAD, the Executive Programme is a unique, intensive, and insightful course that covers the latest trends shaping the listed real estate sector.	David Moreno, CFA Indexes Manager d.moreno@epra.com
Index series ground rules at: FTSE EPRA Nareit ground rules		
Our latest research reports at: EPRA Research	For more information, contact: education@epra.com and follow updates on the website .	Iskren Marinov Research and Index Analyst i.marinov@epra.com

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