



Global Real Estate Perspective

Global research

August 2024



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Global real estate sentiment survey

Over the next six months, do you think market conditions will:



Improve

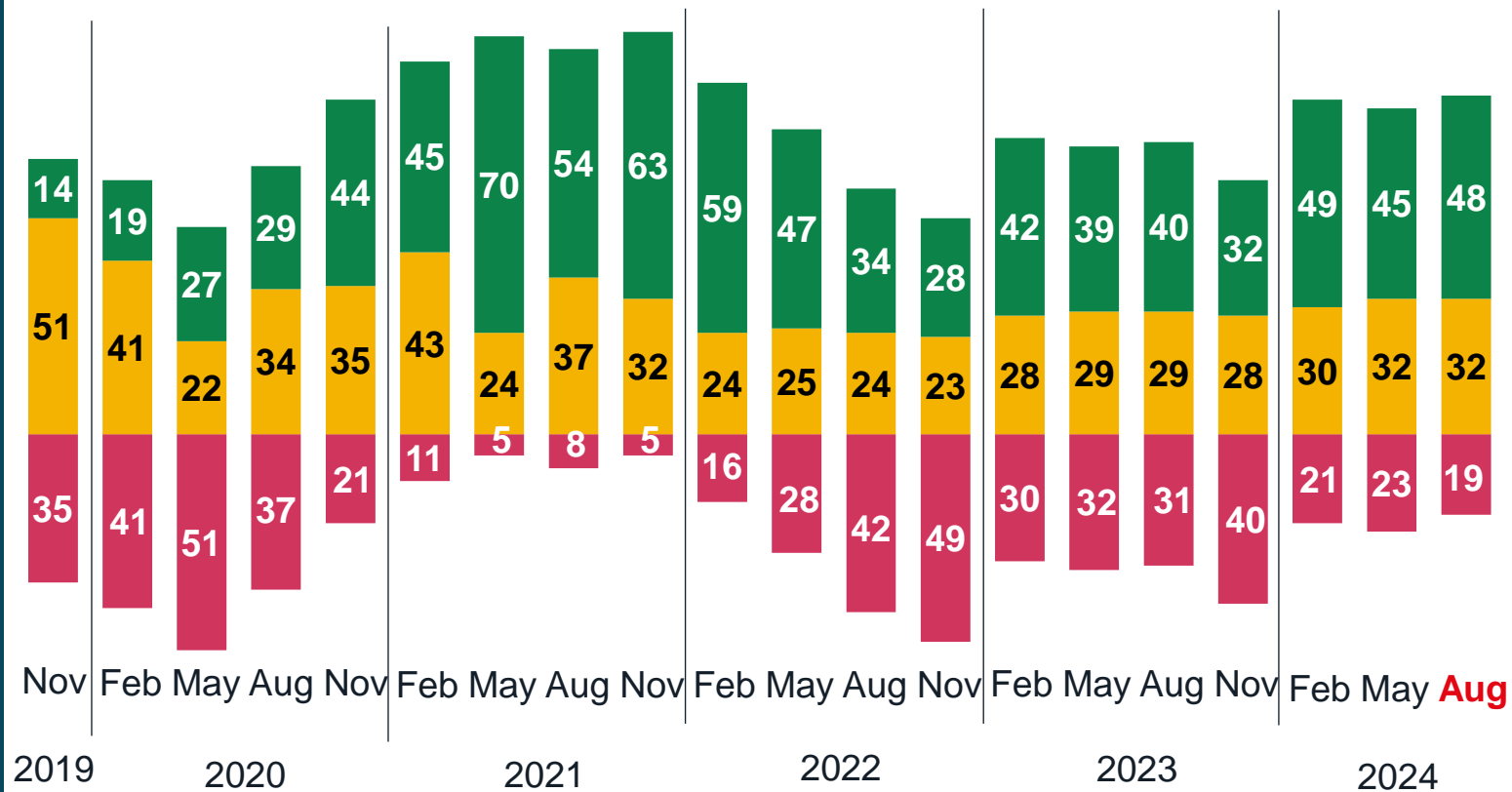


Stay the same



Worsen

% of respondents



Global real estate sentiment survey

Over the next six months, do you think market conditions will:



Improve

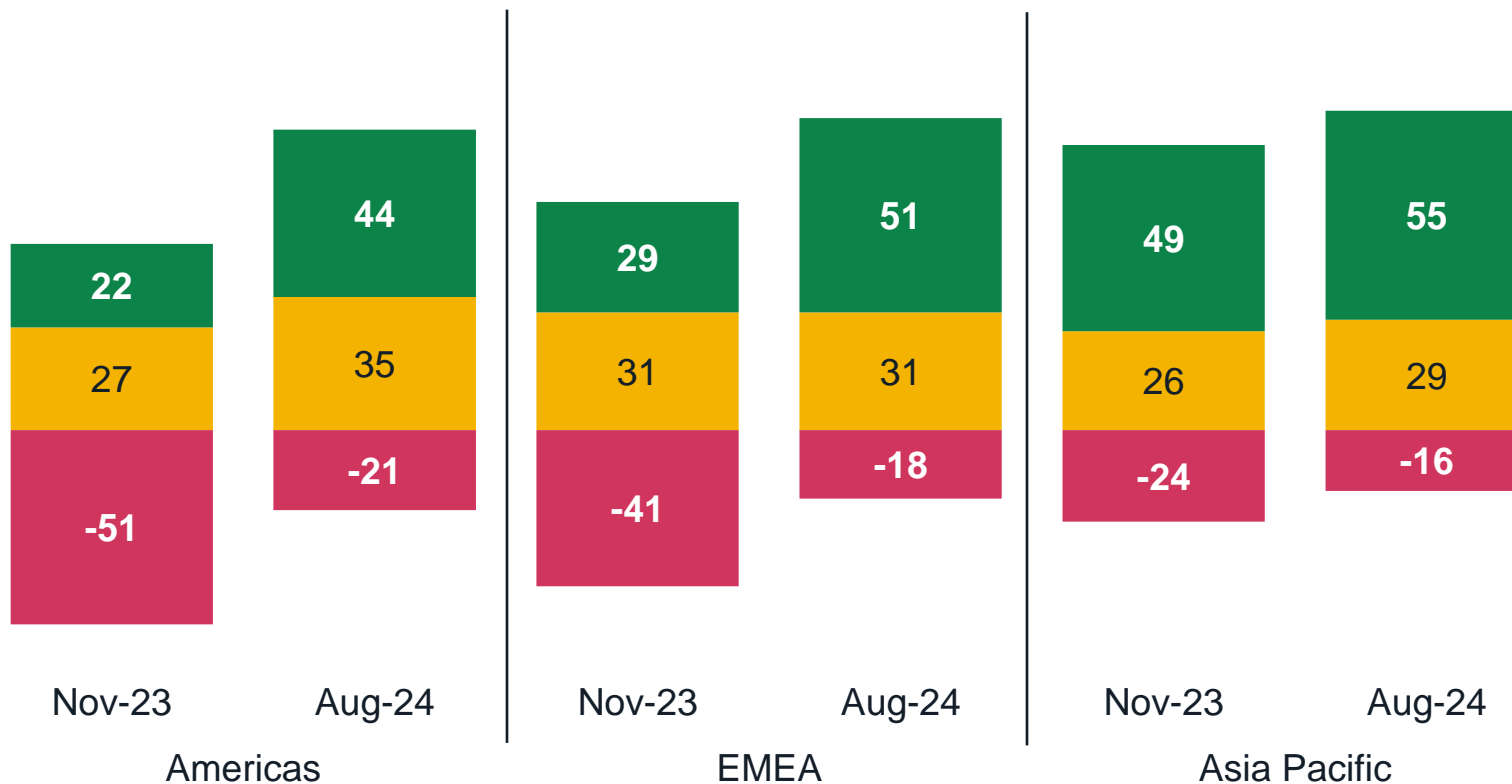


Stay the same



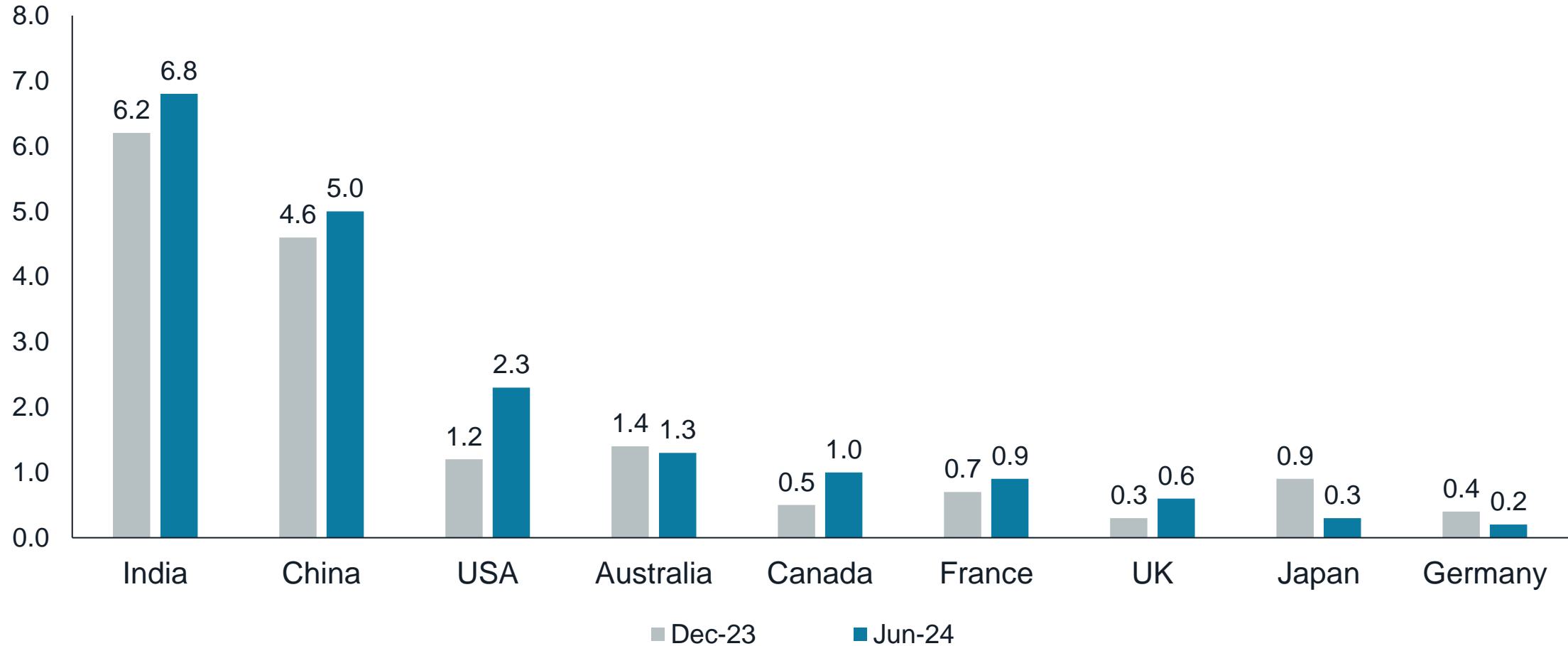
Worsen

% of respondents



Overview | A mixed outlook, with global growth building into 2025

2024 GDP growth forecast by date of forecast (%)

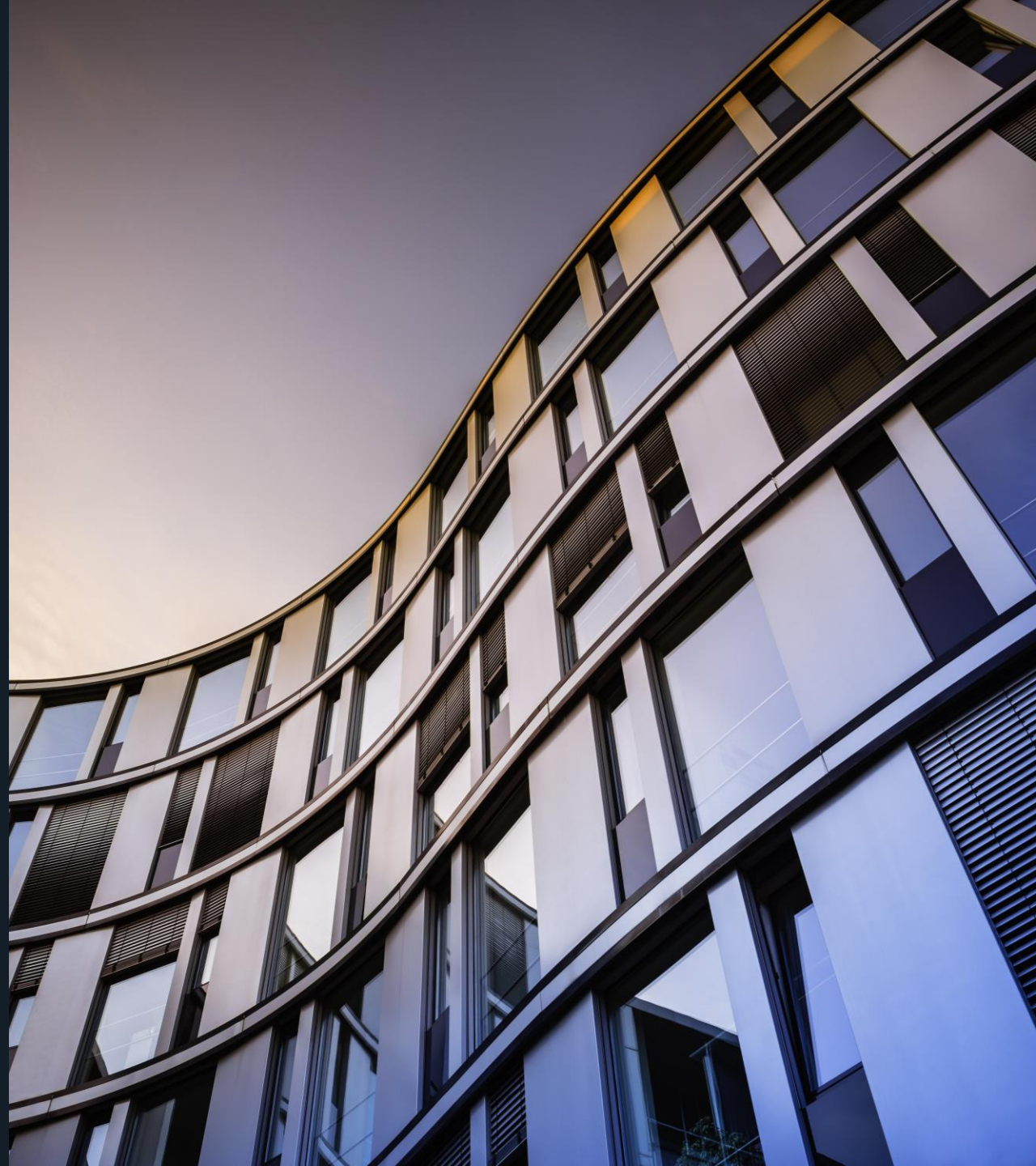


Source: Consensus Economics, JLL

Property sectors

Matthew McAuley

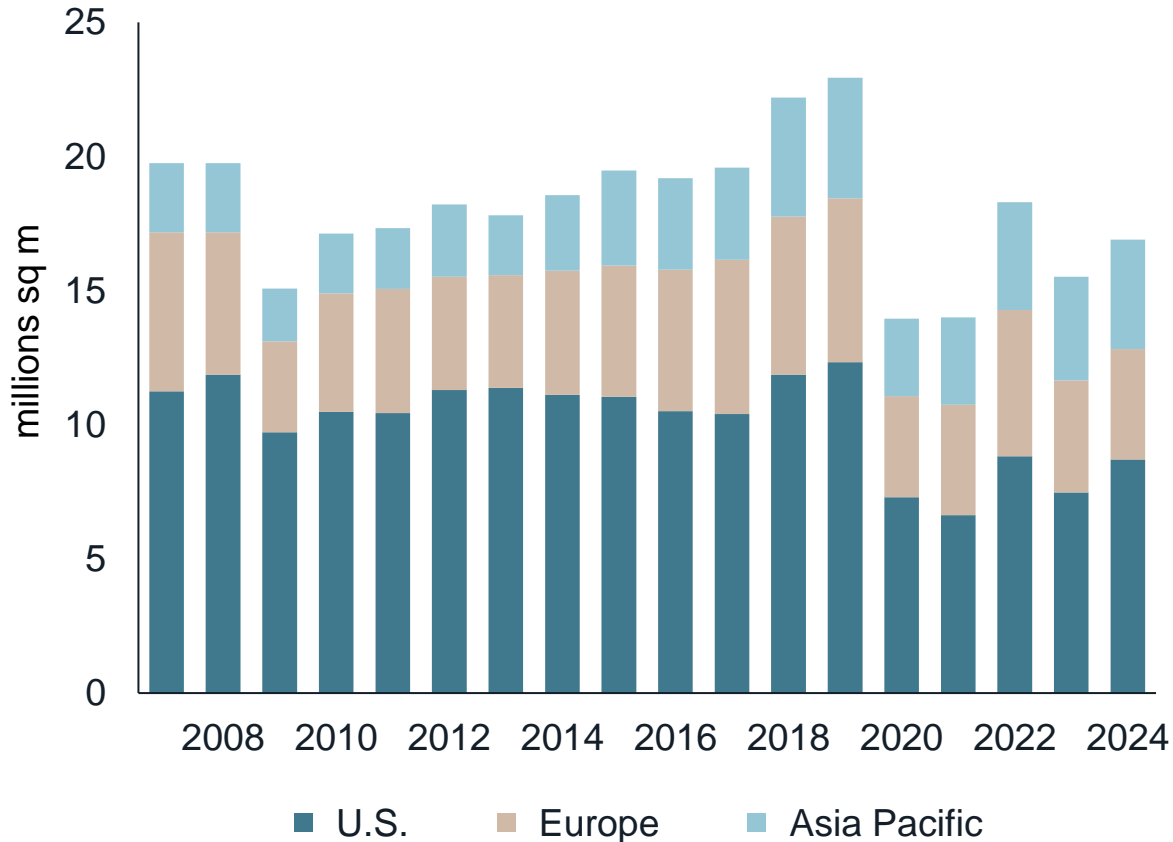
Global Property Sectors Research Director



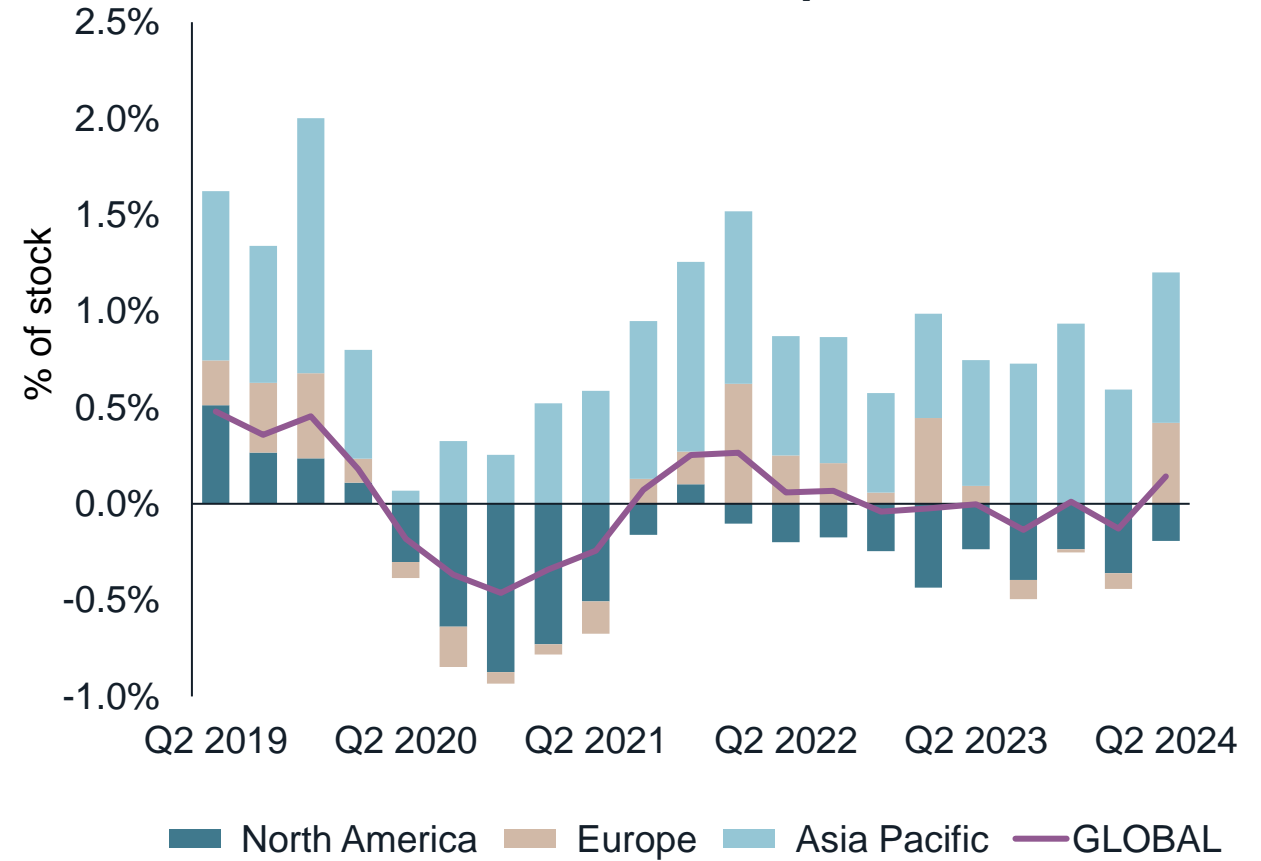
Offices | Gradual demand recovery continues

Office gross leasing and net absorption

Gross leasing, H1



Net absorption



23 markets in Europe; 50 markets in the US; 22 markets in Asia Pacific.
Source: JLL, July 2024



Offices | Renewals increasing as costs rise and relocation options shrink

U.S. office renewals, % of expiring leases

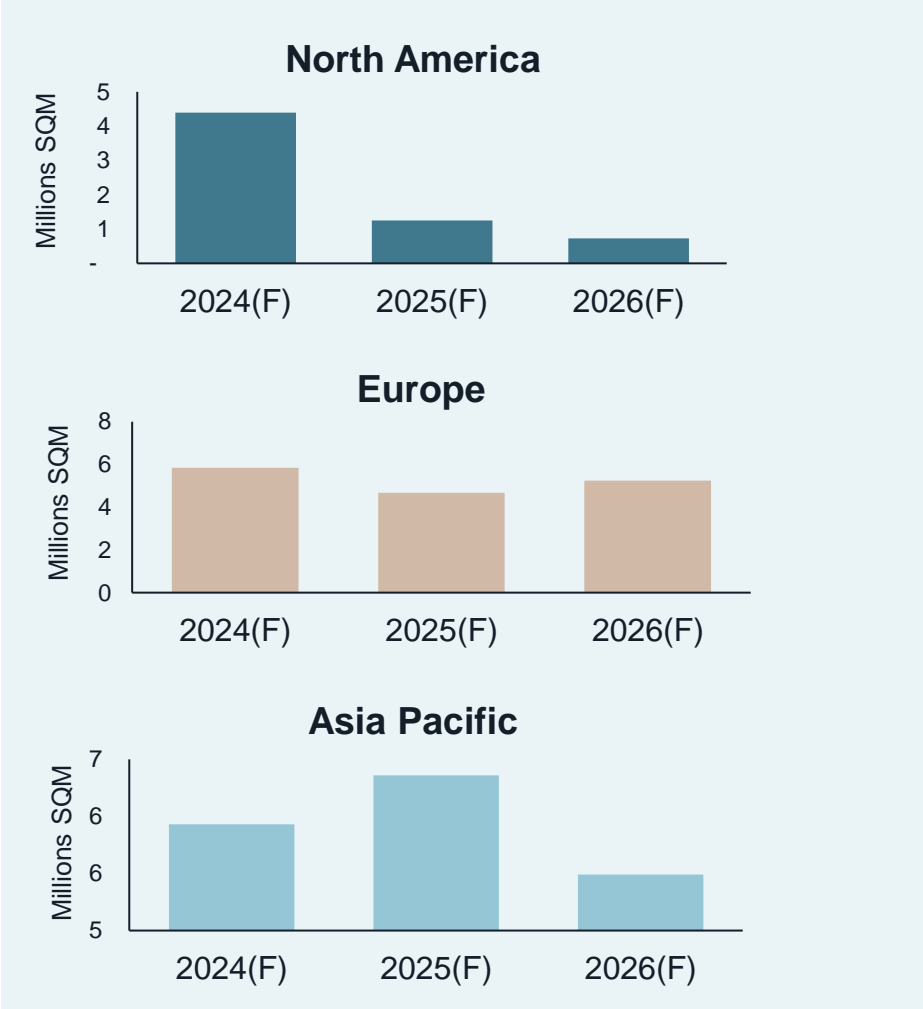
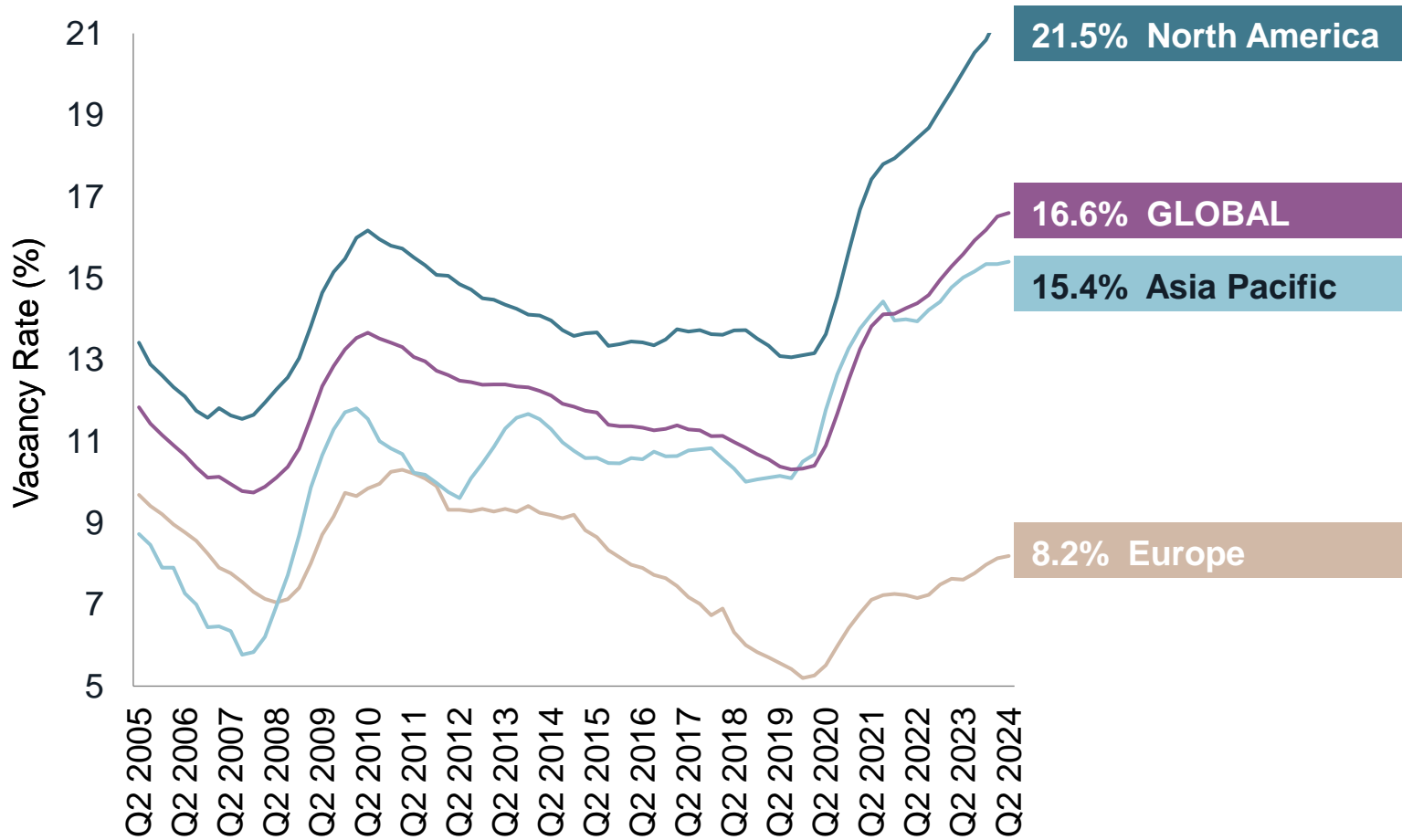


Note: Excludes tenants consolidating multiple locations and tenants vacating a particular market entirely.

Source: JLL, July 2024

Offices | Declining availability of new space despite rising vacancy

Regional vacancy rates and construction pipeline

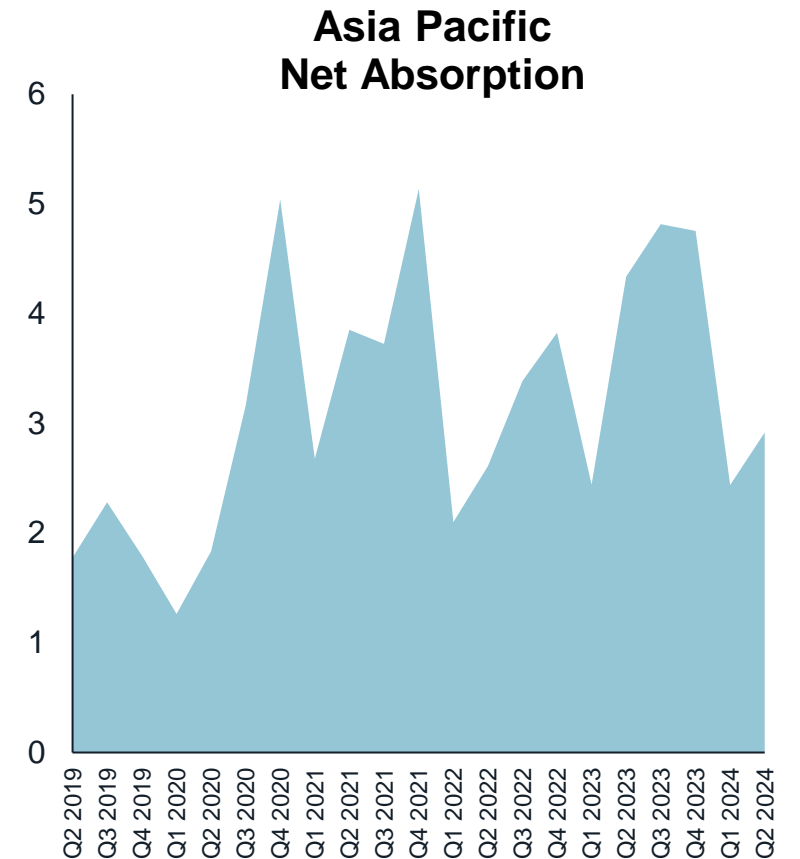
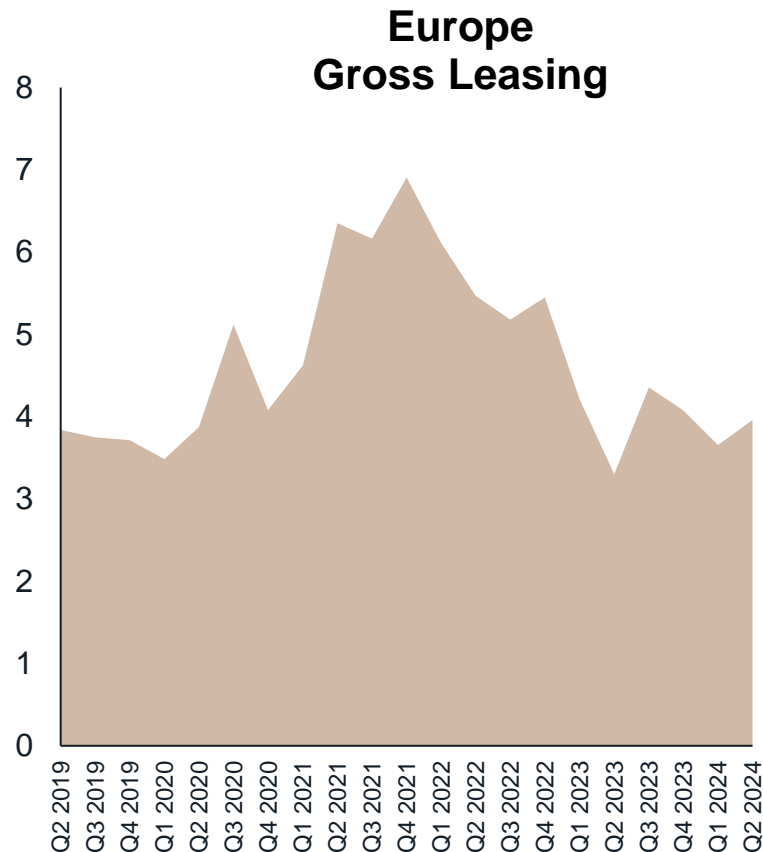
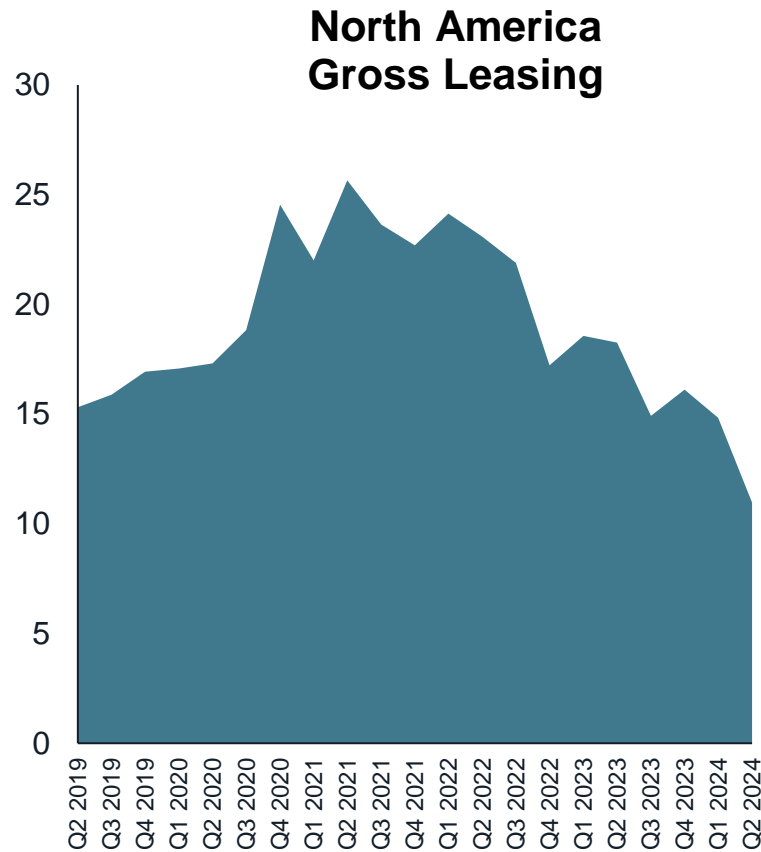


23 markets in Europe; 25 markets in Asia Pacific; 59 markets in the US and Canada. Asia relates to Grade A only
 Source: JLL, July 2024



Logistics | Demand varied as fundamentals recalibrate

Logistics space absorption, actual (millions sq m)



North America: net absorption, based on 55 city markets in the U.S. and 9 city markets in Canada;

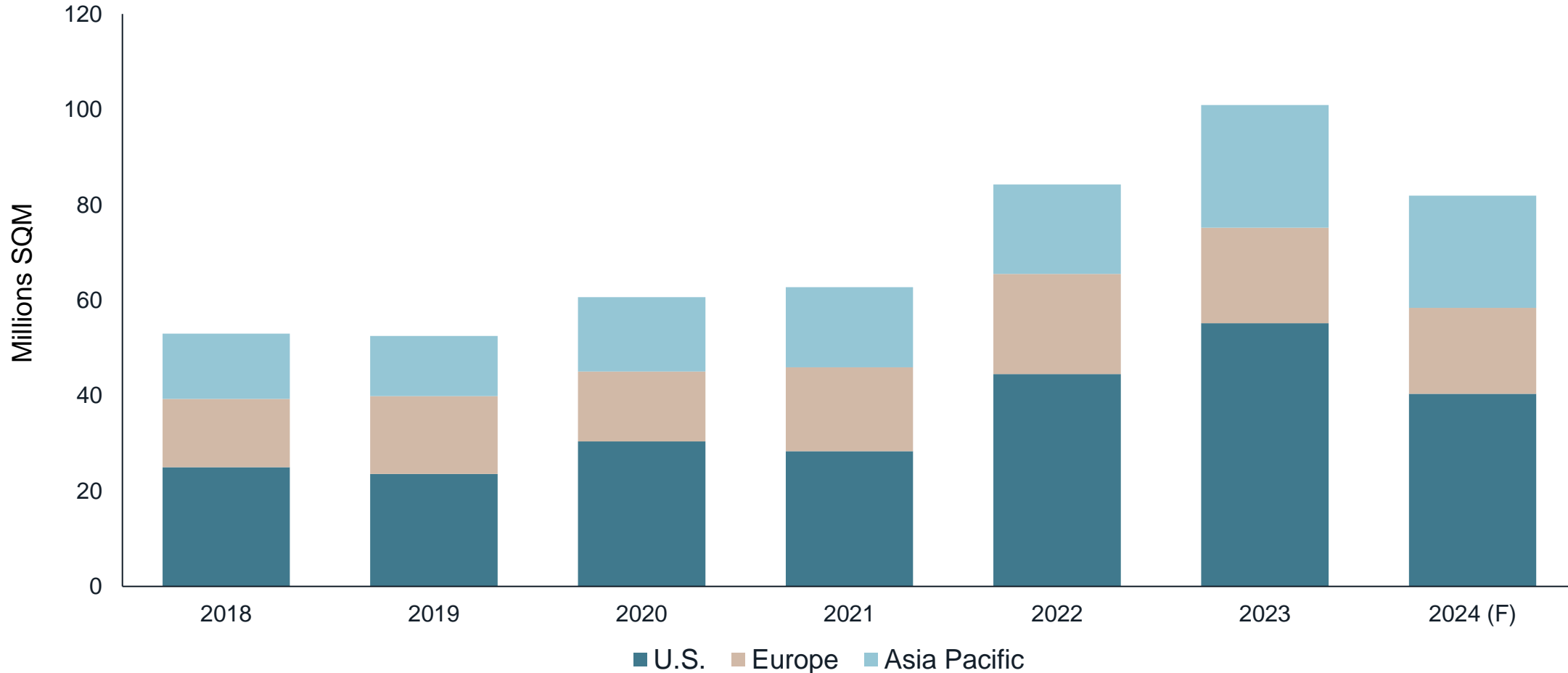
Europe: gross leasing (take-up) based on 5 national markets;

Asia Pacific: based on 35 city markets.

Source: JLL, July 2024

Logistics | New deliveries falling from post-pandemic peak

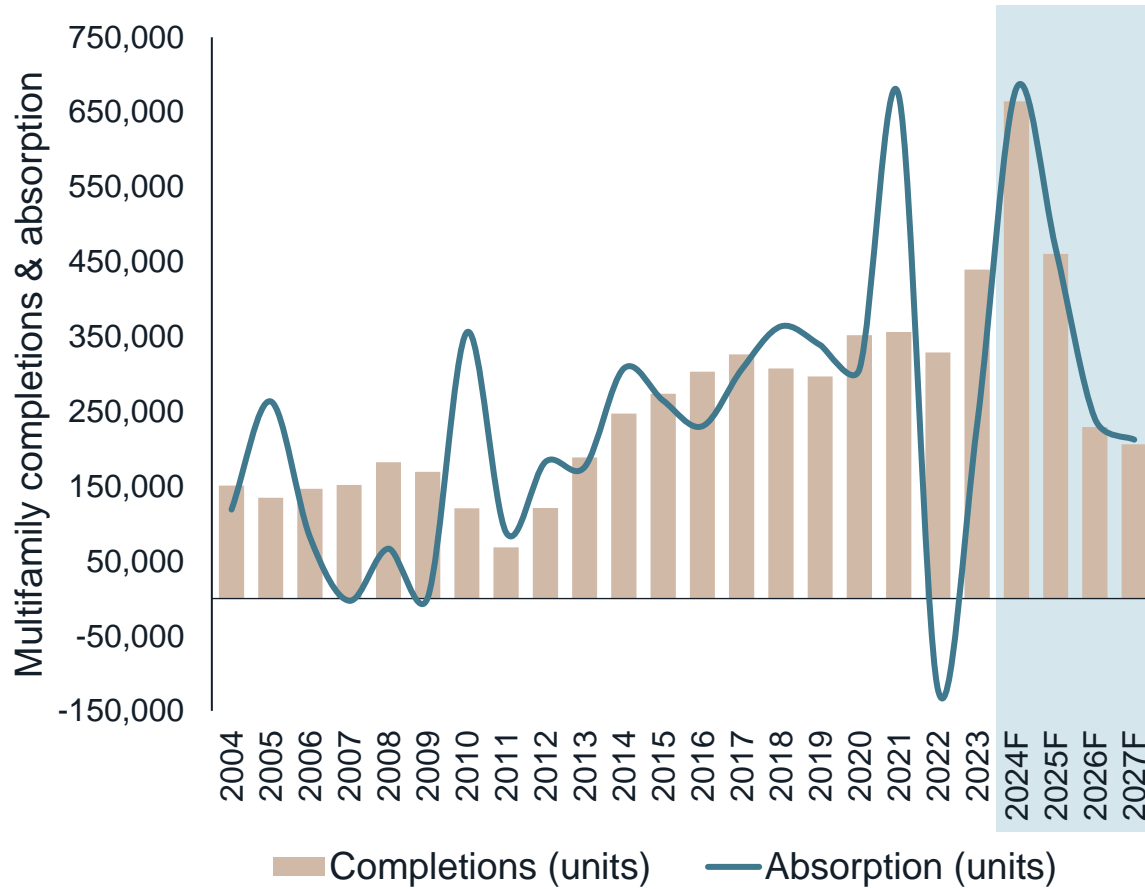
Logistics completions, 2018 – 2024(f)



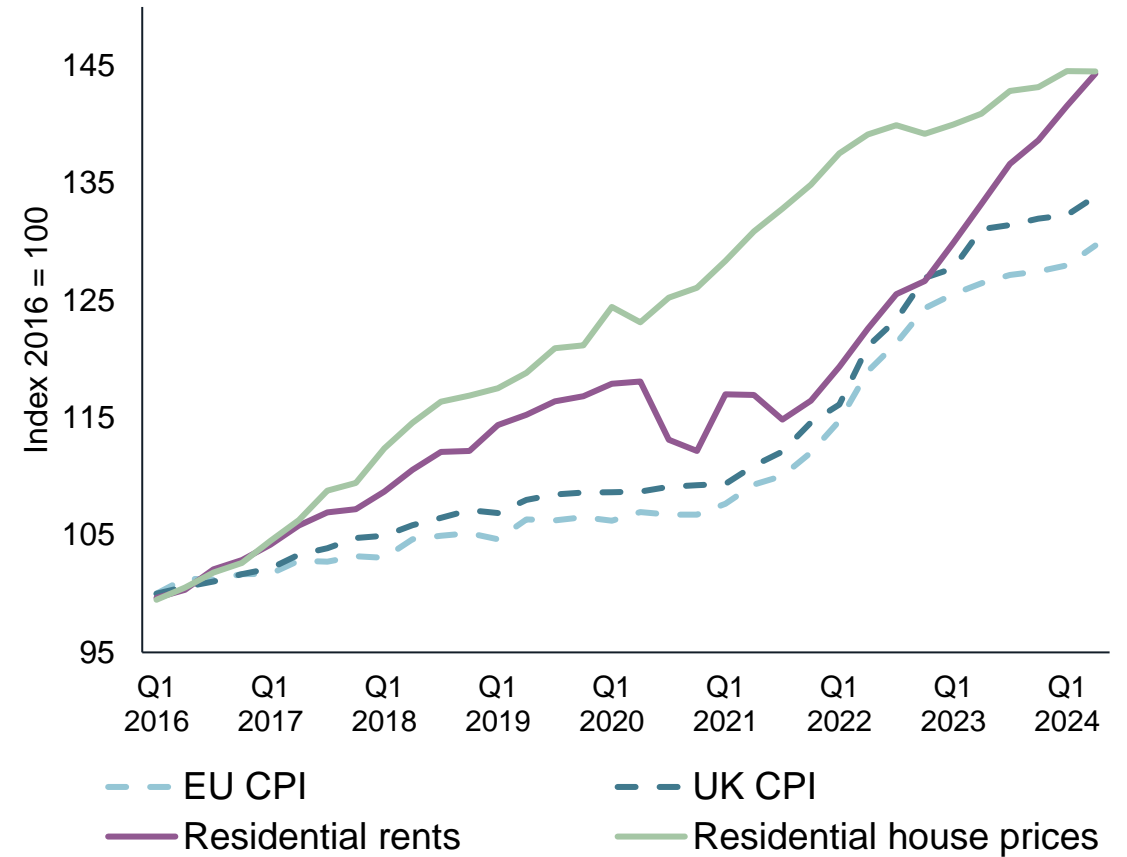
North America: based on 55 city markets in the U.S. and 9 city markets in Canada; Europe: based on 13 country markets; Asia Pacific: based on 35 city markets.
Source: JLL, July 2024

Living | Structural undersupply despite elevated completions in U.S.

U.S. multifamily completions & absorption



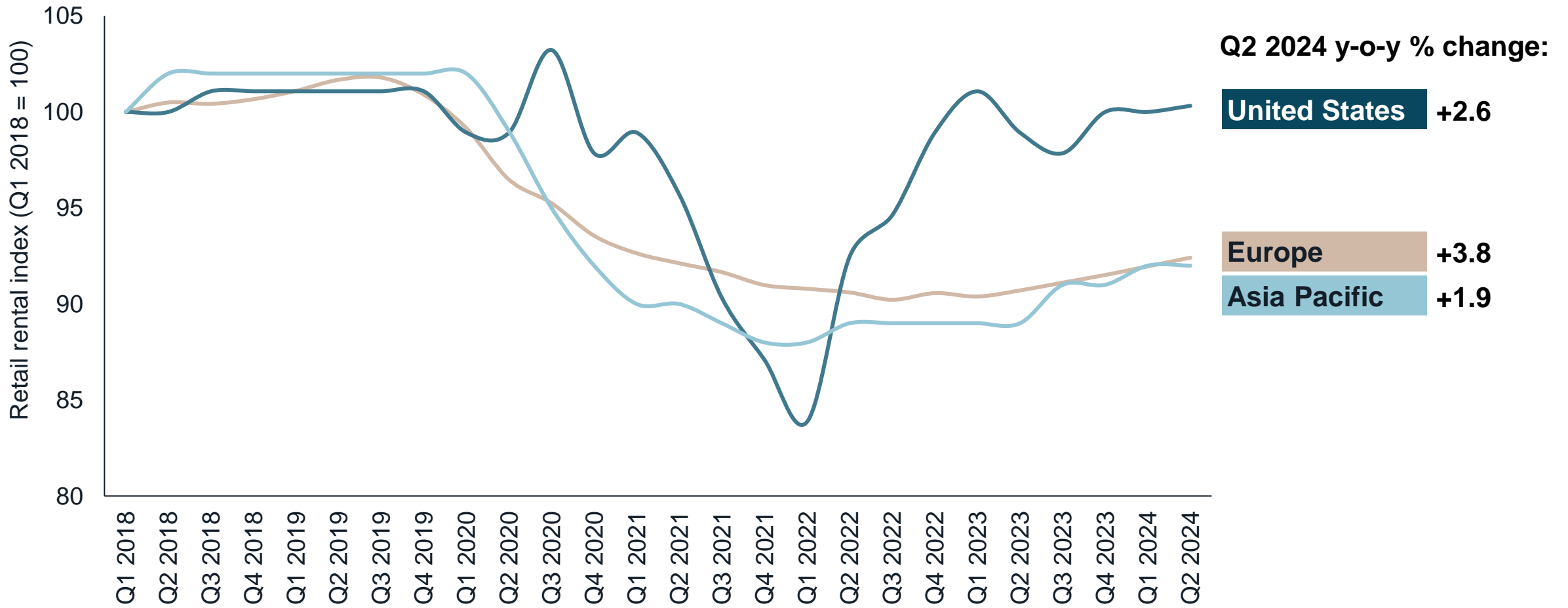
European inflation and residential rents



Source: JLL, RealPage, national statistical sources, April 2024

Retail | Robust demand continues amid limited space in prime locations

Retail rental index, Q1 2018 – Q2 2024



Source: JLL, NCREIF, July 2024

Future Vision

Ben Breslau

Global Chief Research Officer

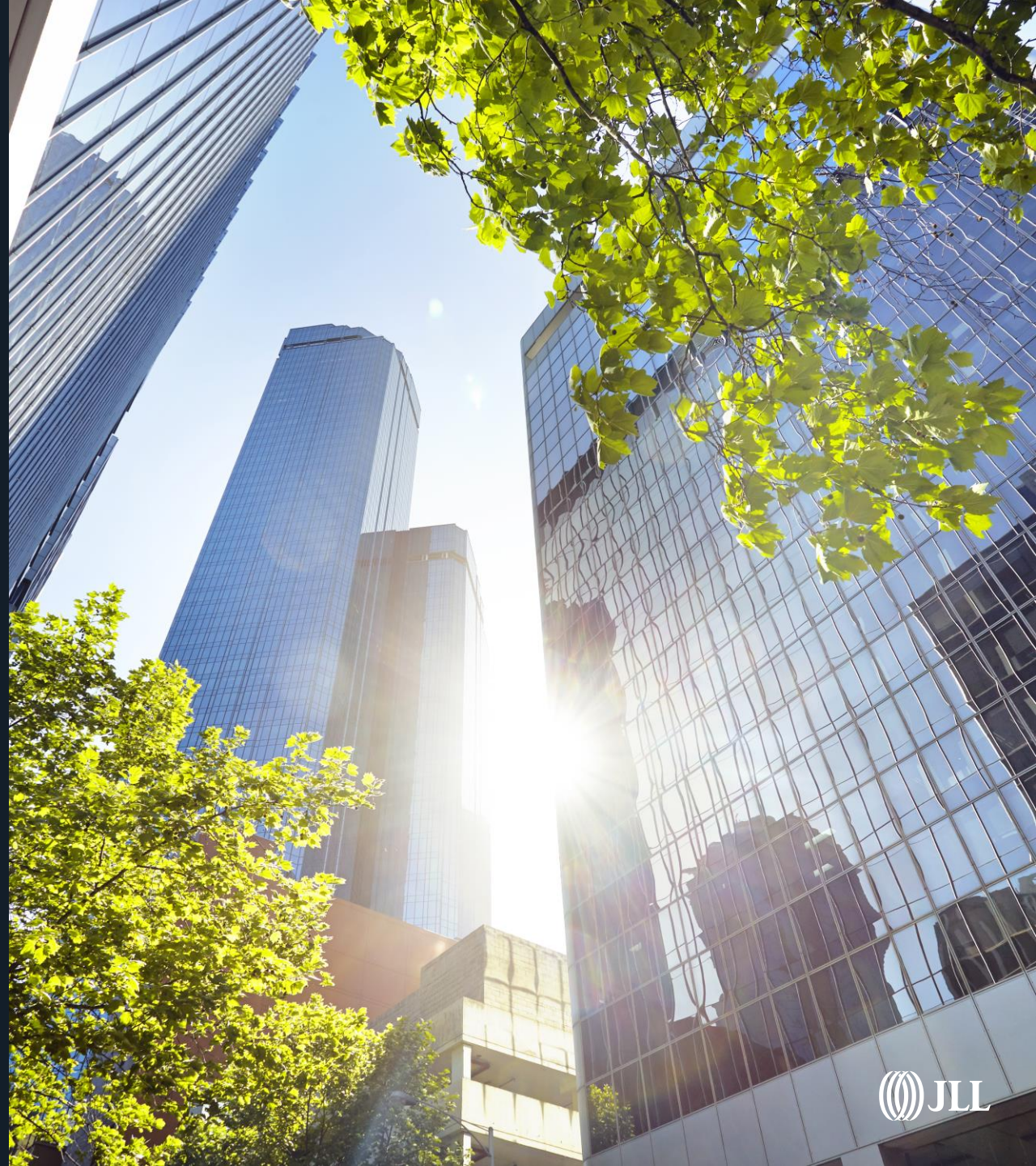
Image by bmf-foto.de - stock.adobe.com. This work product was created with assistance from generative AI.



Capital Markets

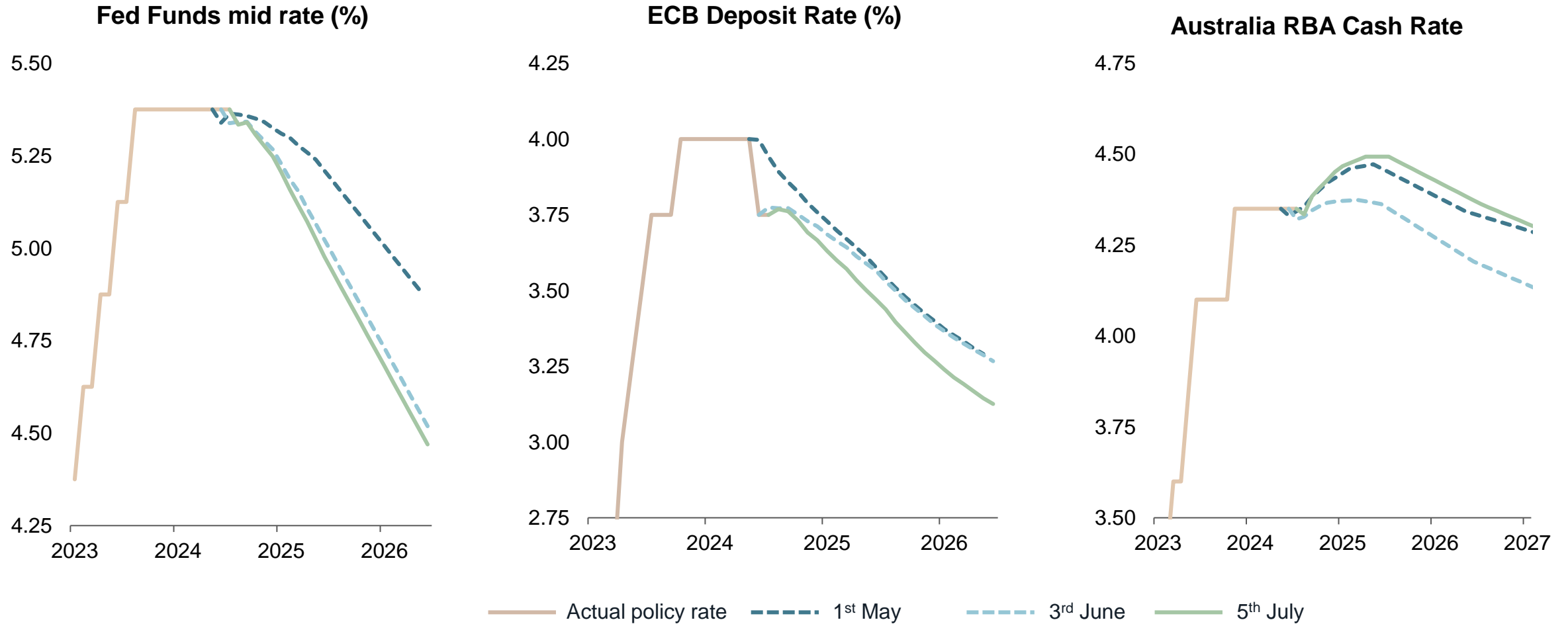
Sean Coghlan

Global Head of Capital Markets Research & Strategy



Capital | Easing monetary policies in most major markets by year-end

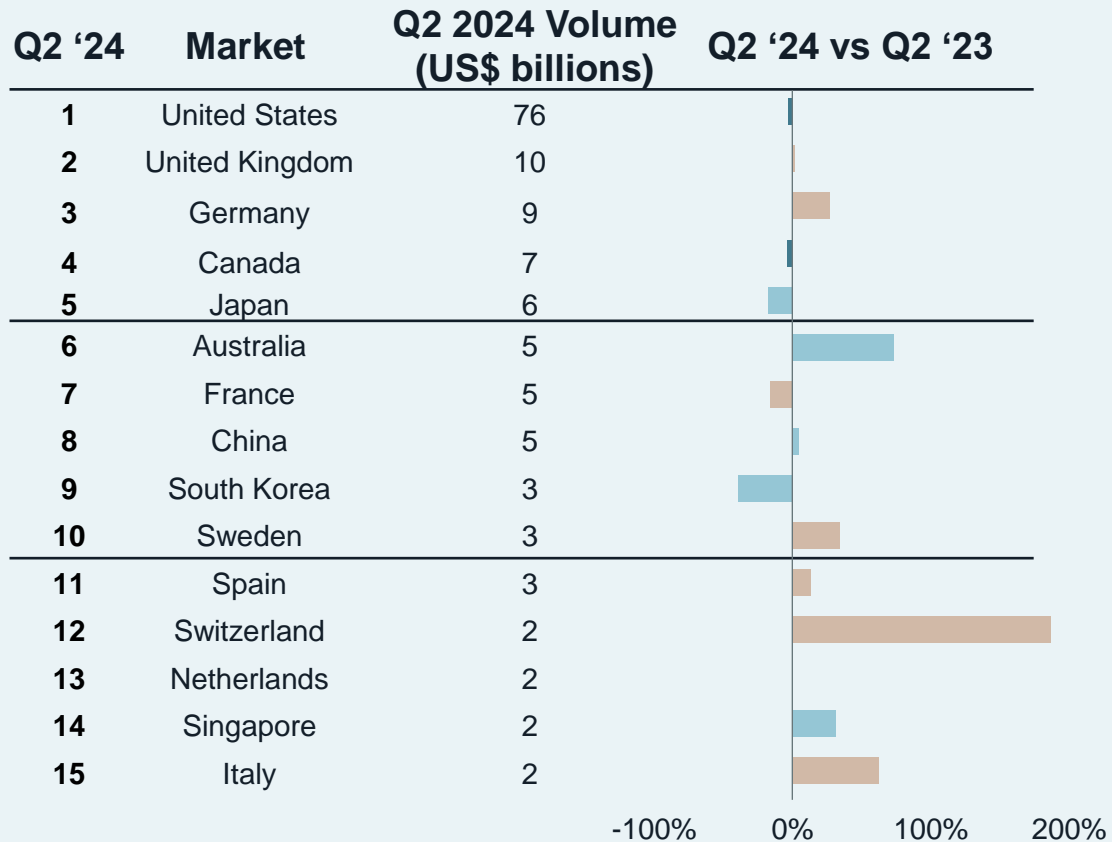
Market expectations of central bank policy rates



Source: Refinitiv, JLL. Based on OIS rates. As of July 2024

Capital | Growth in EMEA and Asia Pacific; higher U.S. volumes expected in H2

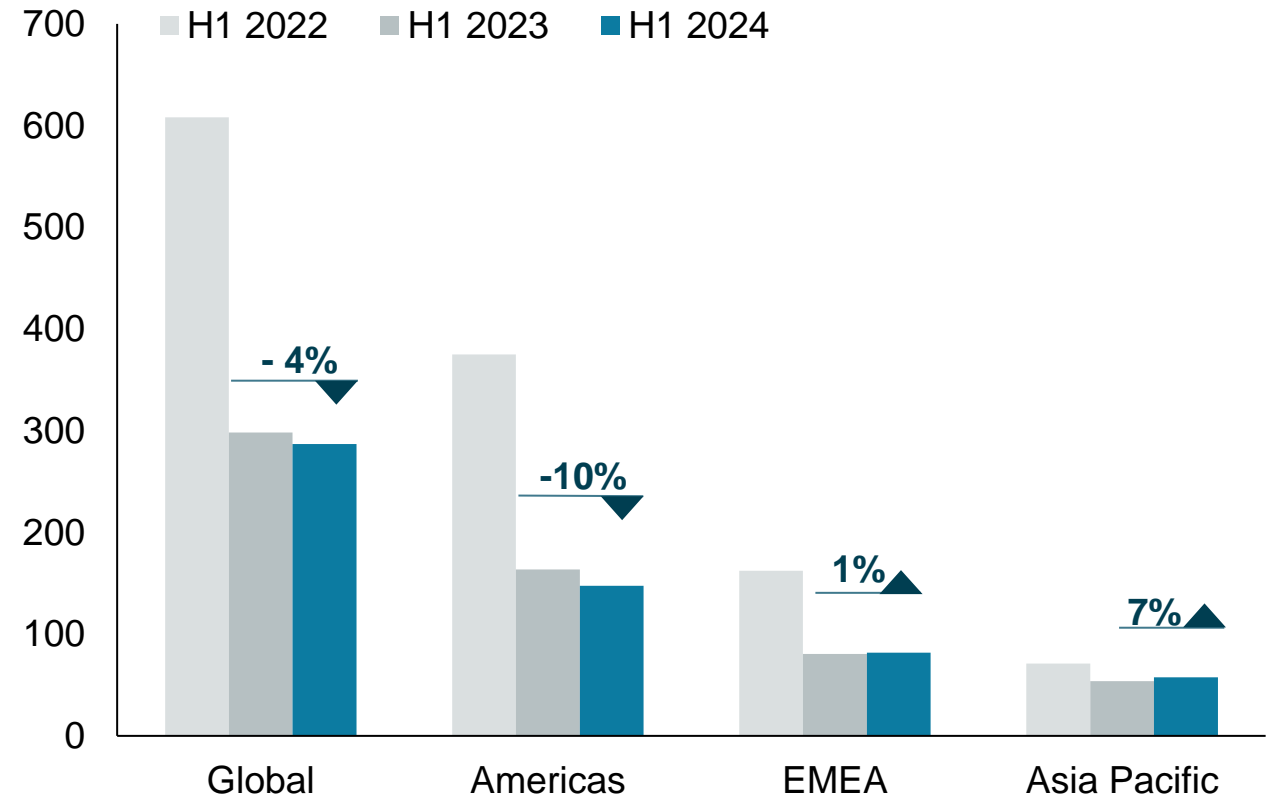
Top 15 countries for direct commercial real estate investment



Source: JLL, 2024

Direct investment volumes

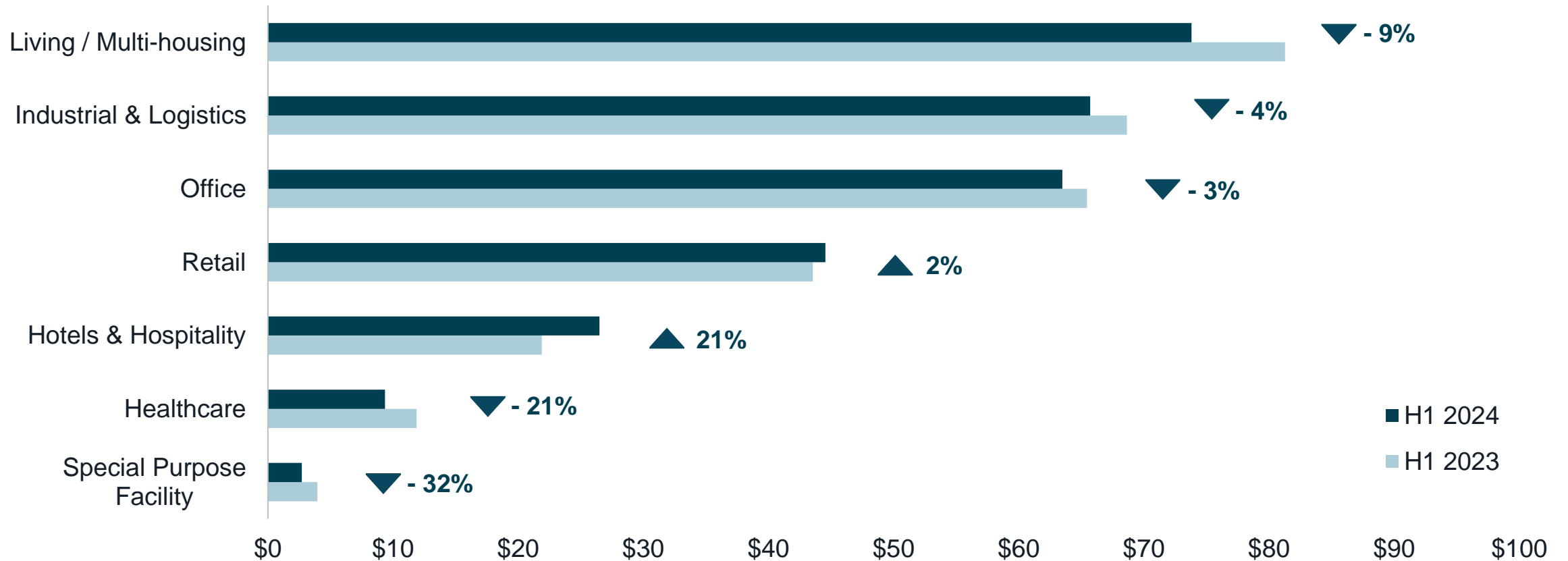
US\$ billion, H1 2022 – H1 2024



Capital | In-demand sectors driving early recovery

Global transaction volumes by sector

Direct investment volumes, H1 2023 vs. H1 2024, US\$ billions

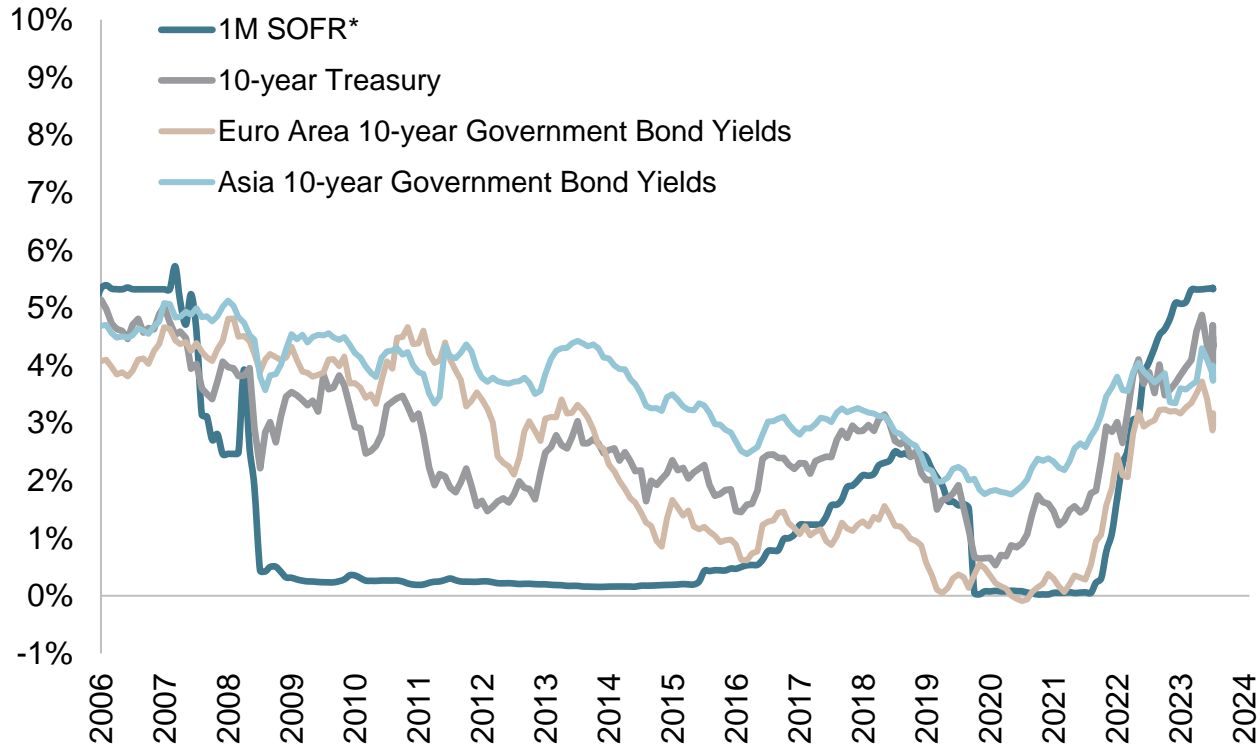


Source: JLL, 2024

Capital | Debt market improves as origination stabilizes and pricing comes in

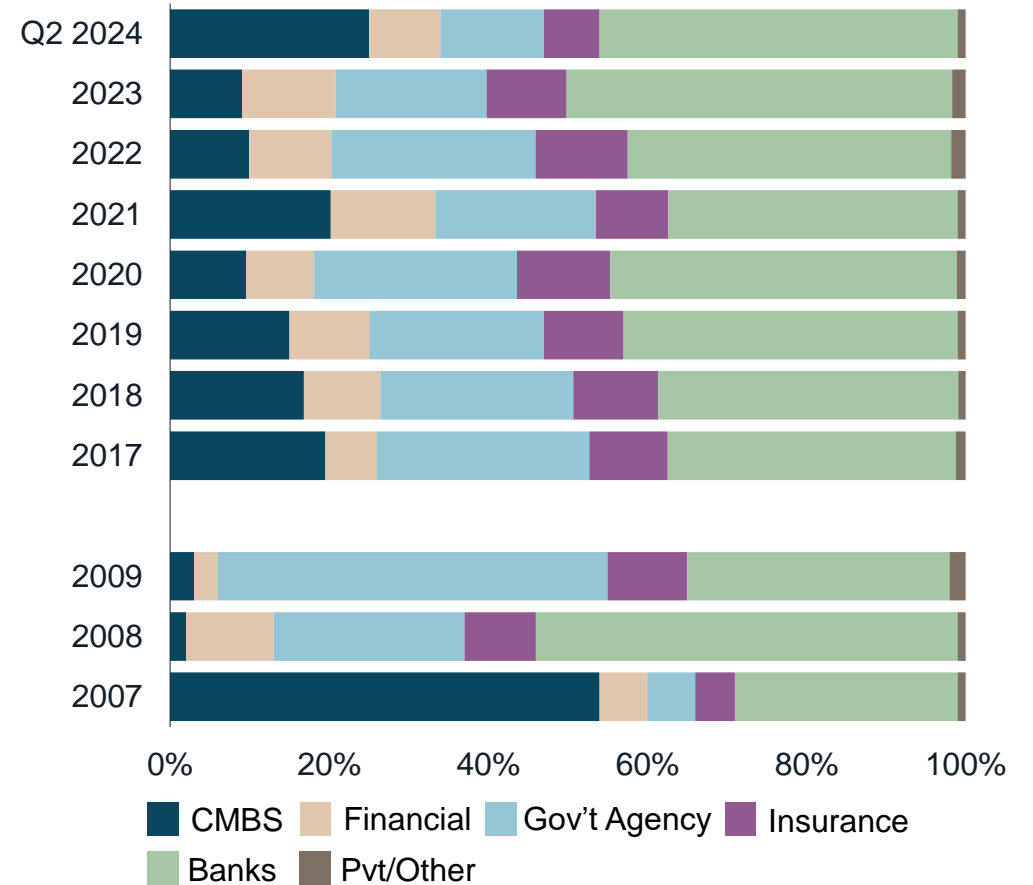
Benchmark yield indices

2006 – July 2024



Lender composition by year

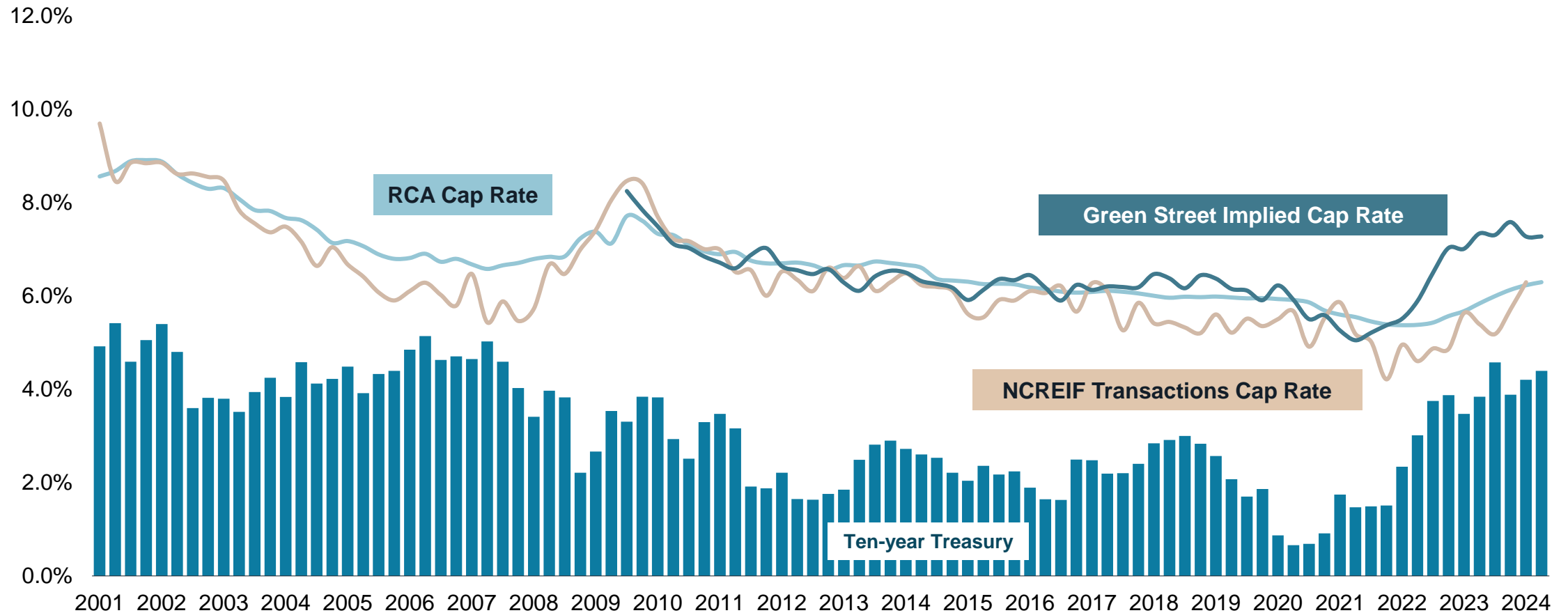
2007 – Q2 2024



Source: Research, RCA, Bloomberg Finance L.P., as of July 2024; *30D LIBOR used prior to Sept. 2019; U.S. is used as a global benchmark

Capital | Pricing is stabilizing in most markets globally

Capitalization rate spreads (U.S.)



Source: JLL, Real Capital Analytics, Green Street, National Council of Real Estate Fiduciaries, Federal Reserve (Ten-year Treasury values pertain to quarter-end figures)

Debt markets

Lauro Ferroni

Head of Capital Markets Research, Americas

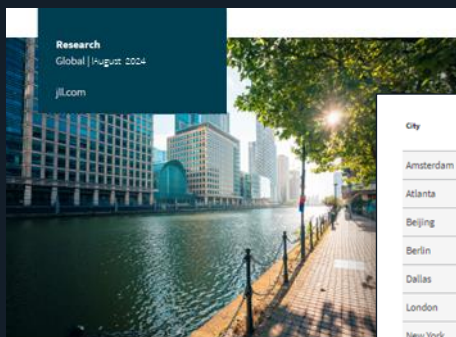


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JLL's regular view on the impact of economic forces on property markets worldwide. It is a unique combination of updates from professionals on the ground and the insights of our leading research organization.



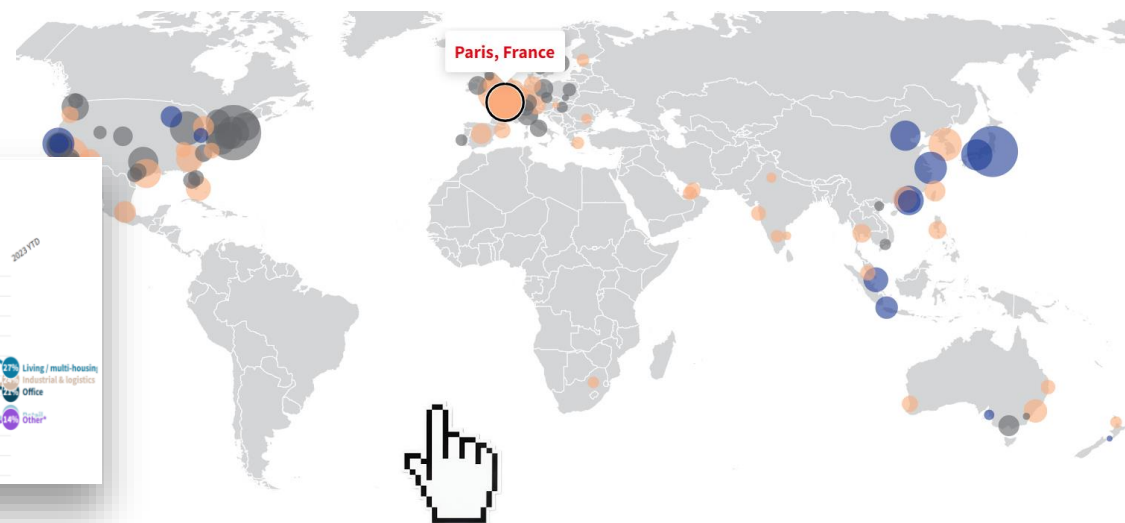
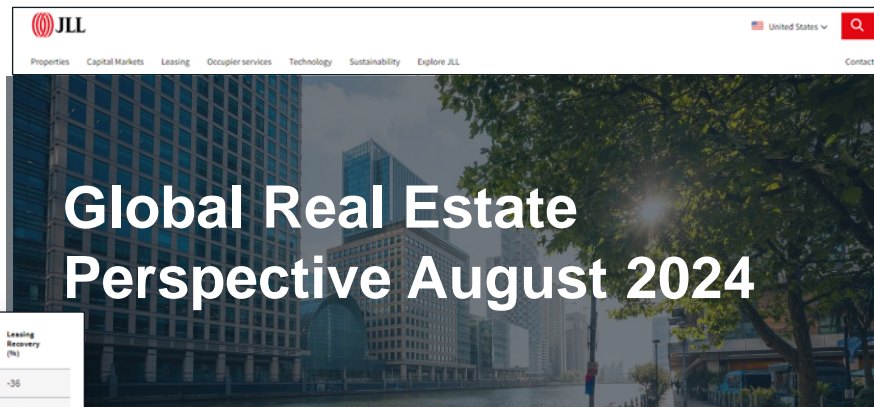
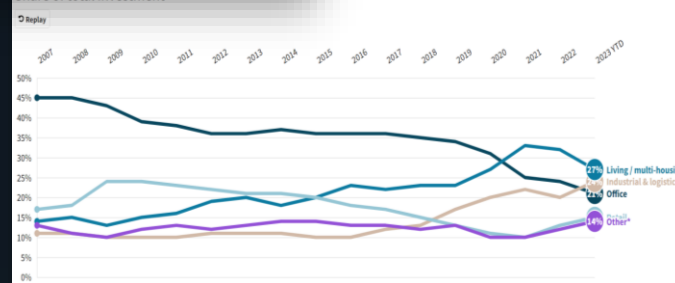
Global Real Estate Perspective

Investor and Corporate

JLL SEE A BRIGHTER WAY

City	Country	Investment Q4 2020-Q3 2021 (US\$ bn)	Rental Growth Q3 2021 (%)	Rental Growth 2017-Q3 2021 (%)	Vacancy Rate Q3 2021 (%)	Net Absorption (%)	Leasing Recovery (%)
Amsterdam	Netherlands	2.4	0		8.3	-0.6	-36
Atlanta	U.S.	24.6	2.7		22.6	-2.7	-44
Beijing	China	6.7	-7.5		12.7	8	164
Berlin	Germany	16.6	4.1		7.3	0.5	-34
Dallas	U.S.	28.7	2.1		25.3	-2.1	54
London	UK	29.3	0		12.6	0.4	-20
New York	U.S.	19.2	1.7		15.2	-3.7	-59
Paris	France	22.8	2.2		10.2	-0.6	-28
San Francisco	U.S.	6.5	-8.1		21.2	-8.8	-13

Share of total investment



Thank you

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