

Intelligent Investment

Q1 2026 Asia Pacific Cap Rate Survey

REPORT FIGURES

CBRE RESEARCH
APRIL 2026

Introduction

CBRE conducts the Asia Pacific Cap Rate Survey with its capital markets brokers and valuers every six months to obtain insights into current capital markets trends and sentiment along with the latest cap rate movements across individual markets and sectors. This report summarises the survey's key findings.

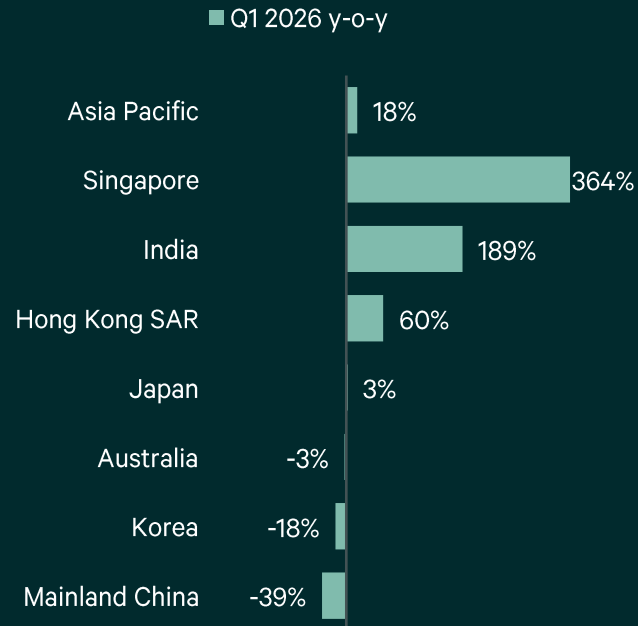
This edition of the survey was conducted from March 16th, 2026, to March 31st, 2026, after the onset of the Middle East conflict, but before the ceasefire took effect. A total of 150 responses were collected from CBRE's Capital Markets and Valuation & Advisory Services professionals across Asia Pacific.



01 Market Performance and Appetite

Investment activity retains strong momentum, logging robust y-o-y growth

Q1 2026 APAC Investment Volume
+18% y-o-y



02 Risks and Opportunities

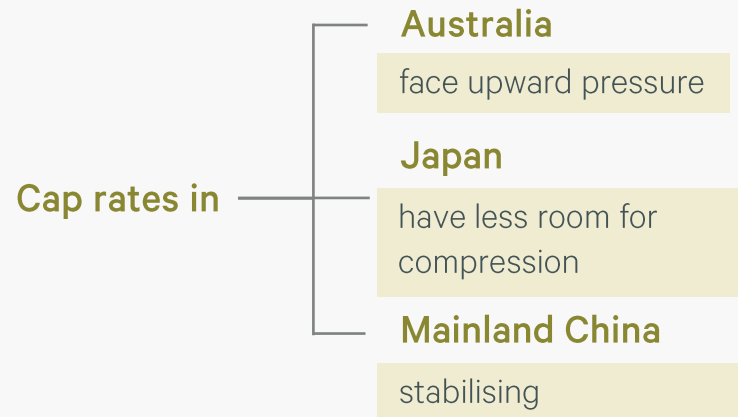


Geopolitical tension and interest rate hikes named as top concerns



Occupier fundamentals seen as favourable to investment sentiment

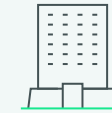
03 Shift in Cap Rate Trends



04 Investor Interest



Improved buying intentions most prevalent in Hong Kong SAR



Grade A offices named as most attractive sector



Interest in student housing surges in mainland China

01

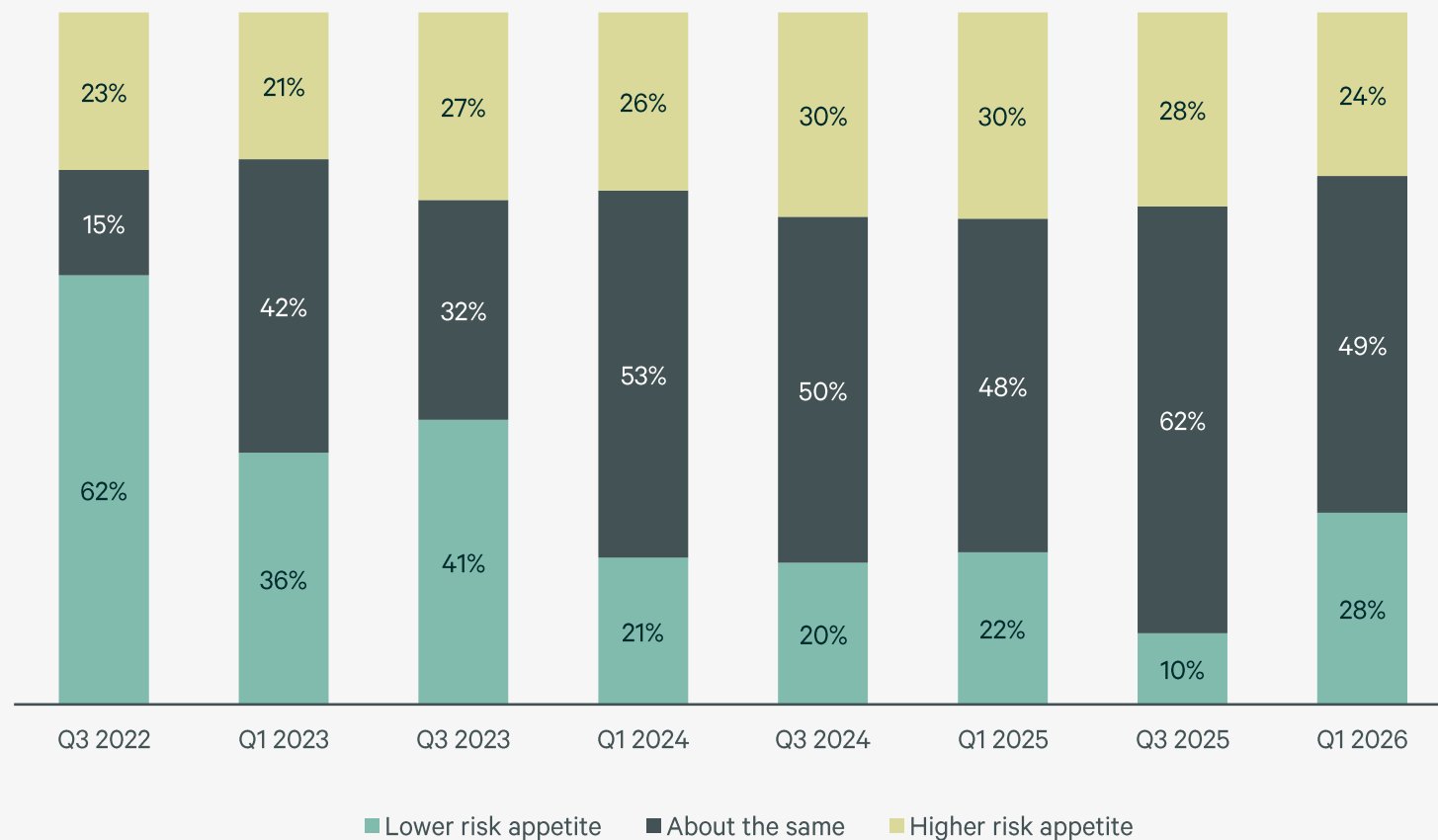
Investment sentiment weakens
amid elevated geopolitical tension

Risk appetite declines from six months ago amid geopolitical tension and elevated interest rate risk

More respondents observed a reduced risk appetite among investors compared to six months ago. However, sentiment is not as negative as in 2023, when the region exited the COVID-19 pandemic.

While risk appetite has declined from six months ago when the mood was relatively positive, sentiment has not deteriorated significantly across the board, instead moderating in certain areas.

Figure 1: What is investors' risk appetite compared to six months ago?



Source: CBRE Research, March 2026.

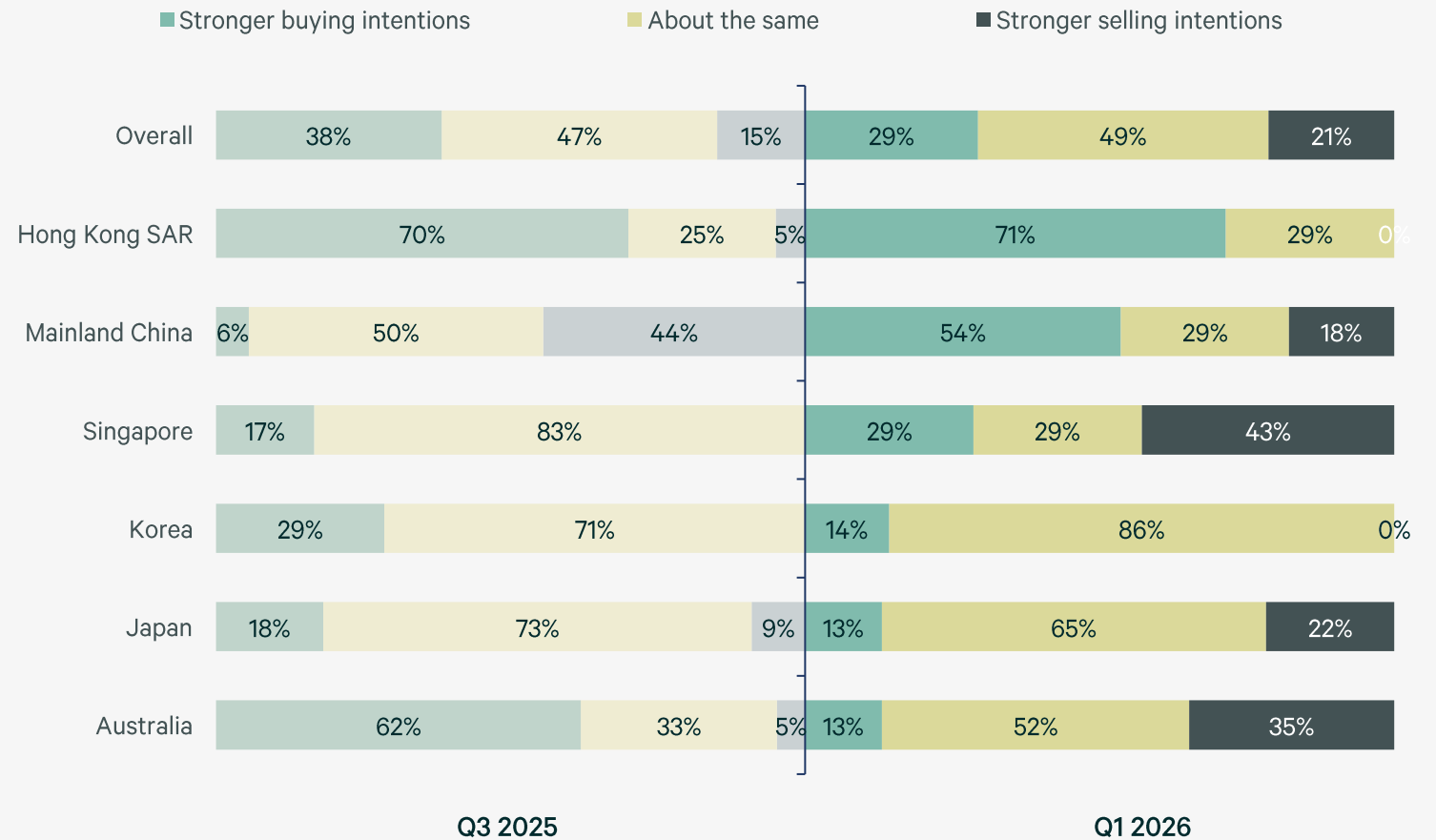
Buying intentions strengthen in Greater China

Mainland China saw a large increase in stronger buying intentions in this edition of the survey, amid a substantial degree of asset repricing that has taken place in the market. Buyers nevertheless retain a degree of caution given persistent leasing market weakness.

Australia witnessed a notable increase in stronger selling intentions as the Middle East conflict and rising oil prices dampen sentiment and put pressure on inflation and interest rate expectations. Bid-ask spreads are expected to widen in the coming months.

Singapore also registered an increase in selling intentions as asset owners look to sell into a buoyant and low-interest rate market. At the same time, however, buying intentions have increased.

Figure 2: In your market, do you see stronger net buying/selling intentions among your clients compared to six months ago?



Source: CBRE Research, March 2026.

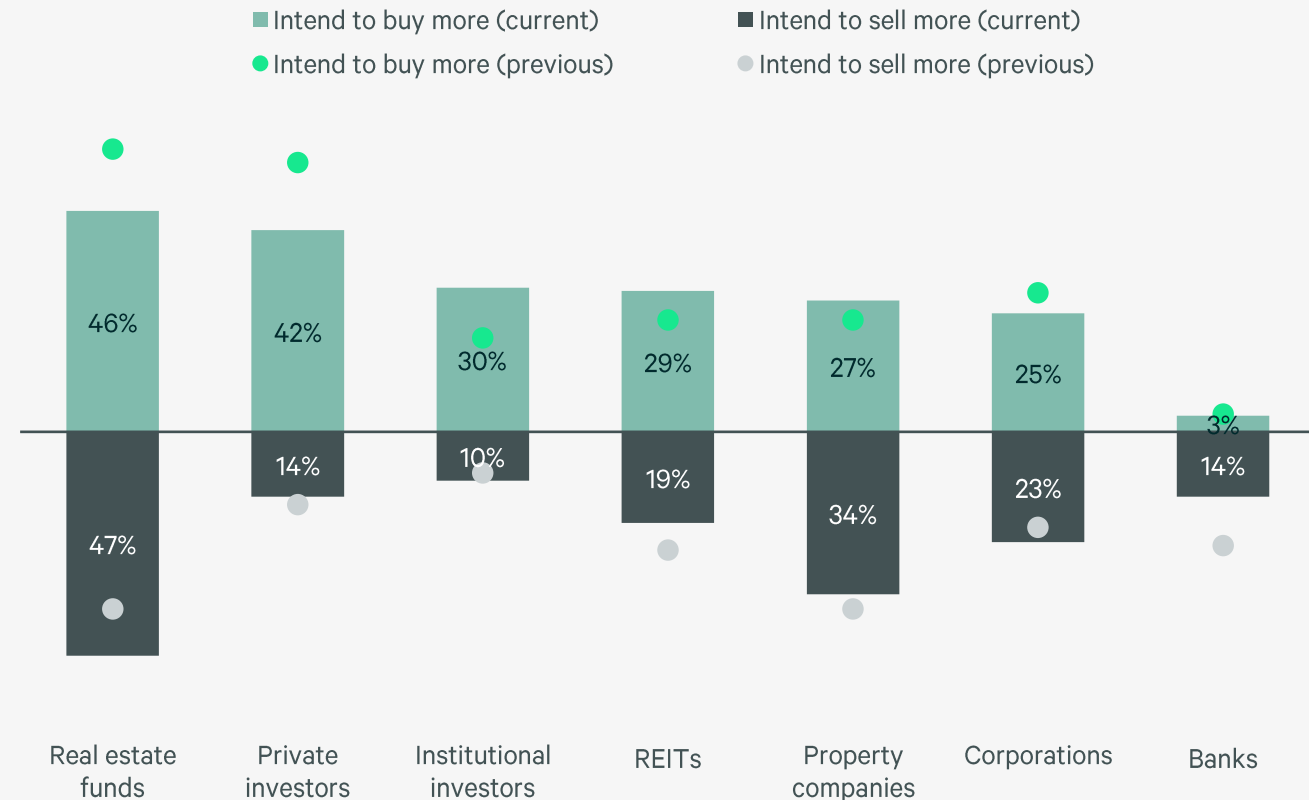
Buying intentions increase among institutional investors, especially in mainland China

Among real estate funds, buying intentions weakened in Singapore, Korea and Australia, while selling intentions increased in Japan, Singapore and Australia compared to six months ago.

For private investors, buying intentions pulled back particularly strongly in Japan, Korea and Australia.

The increase in buying intentions among institutional investors was driven by mainland China, where domestic insurance companies have become more active in directly purchasing real estate assets.

Figure 3: Which types of investors are showing stronger buying / selling intentions compared to six months ago? (Choose all that apply)



Source: CBRE Research, March 2026.

02

Geopolitical events viewed as top
challenge; occupier fundamentals
present opportunities

Occupier fundamentals seen as most favourable to investment sentiment

Tenant demand and rental growth are seen as most favourable to investment sentiment in Singapore, Japan, India and Australia.

Interest rate movements are unfavourable to investment sentiment in Australia, Japan and Korea.

Geopolitical tension is viewed as most unfavourable in Korea and the Pacific.

Figure 4: On a five-point scale, please rate the following factors' impact on your market's investment sentiment in the coming six months. (Five being most favourable; three being neutral; one being most unfavourable)



Source: CBRE Research, March 2026.

Geopolitical concern seen as investors' top challenge

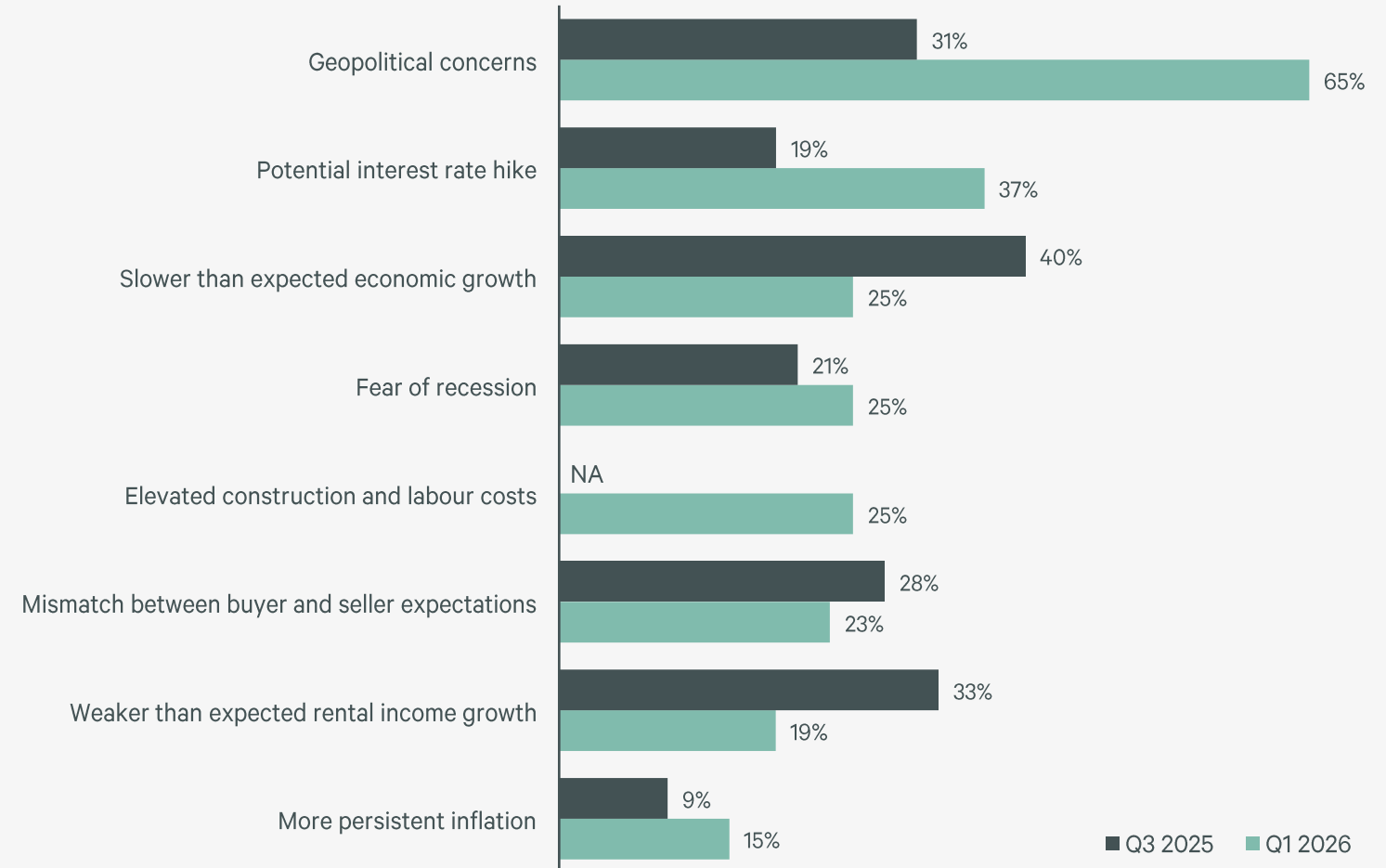
Reflecting the onset of the Middle East conflict, together with several other global flashpoints, a clear majority of respondents said that their clients view geopolitical concern as their main challenge to investment, with the percentage of those doing so increasing sharply from the previous edition of the survey.

Respondents in Pacific and Japan stated that their clients also view potential interest rate hikes as a challenge in their market.

Economic worries are another leading concern, with respondents in mainland China and India citing slower than expected economic growth and those in Japan, Korea and Singapore selecting fear of recession.

Weaker than expected rental income growth has become less of a concern, reflecting favourable supply-demand dynamics amid tightening supply.

Figure 5: What do your clients view as the major challenges facing real estate investment in the coming six months?



Note: Respondents could select up to three options.
Source: CBRE Research, March 2026.

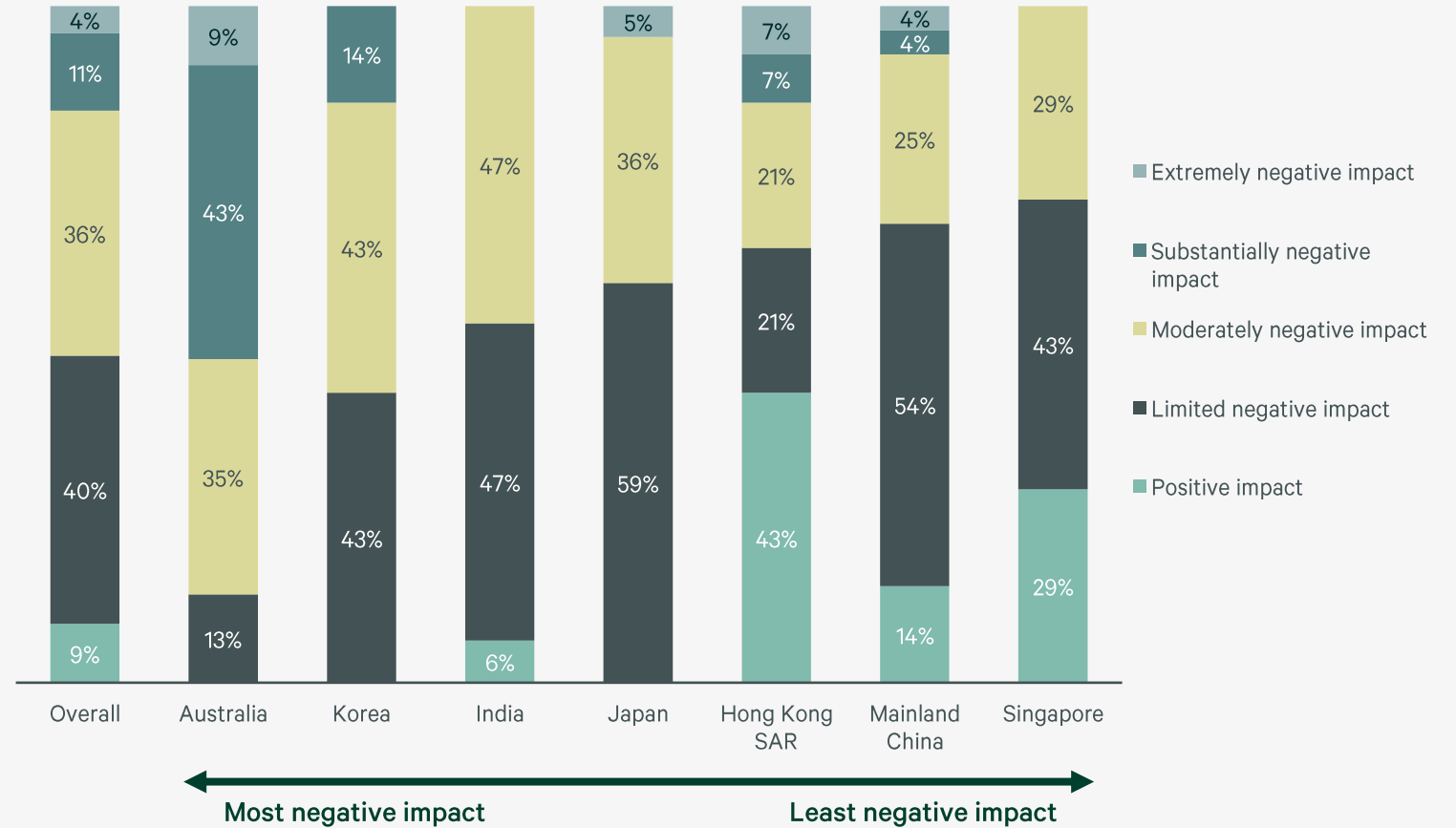
Impact of Middle East conflict on sentiment felt strongest in Australia

Sentiment in [Australia](#) has been hardest hit by the Middle East conflict as rising oil prices put pressure on inflation and interest rate expectations.

While the impact has been mild so far, elevated energy prices and supply chain disruption resulting from geopolitical events in the Middle East may further negatively impact inflation and the interest rate outlook in other markets in Asia Pacific in the coming months.

[Hong Kong SAR](#) and [Singapore](#) had a significant share of respondents citing a positive impact, perhaps due to these markets' status as safe havens for capital.

Figure 6: What degree of impact will geopolitical events in the Middle East have on investment sentiment in your market?



Source: CBRE Research, March 2026.

Financing remains easy to obtain but borrowing rates are increasing

Interest rate expectations have shifted to the upside since the outbreak of the Middle East conflict, with several markets seeing an increase in the lending spread.

Mainland China is the only major market where most respondents expect interest rates to decline.

Most major markets continue to see an accommodative lending environment. Hong Kong SAR, where banks are generally reluctant to issue new loans, remains the lone exception.

Figure 7: How do you think interest rates in your market will move in the next 12 months?

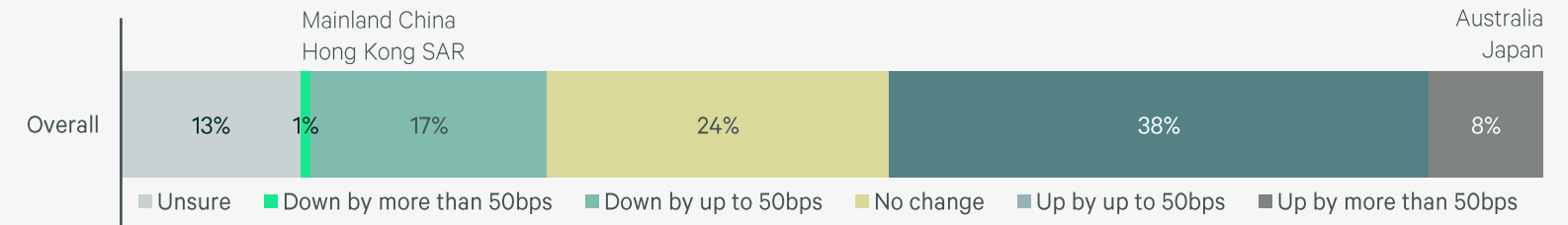


Figure 8: What changes are you seeing in the debt spread demanded by lenders compared to six months ago in your market?

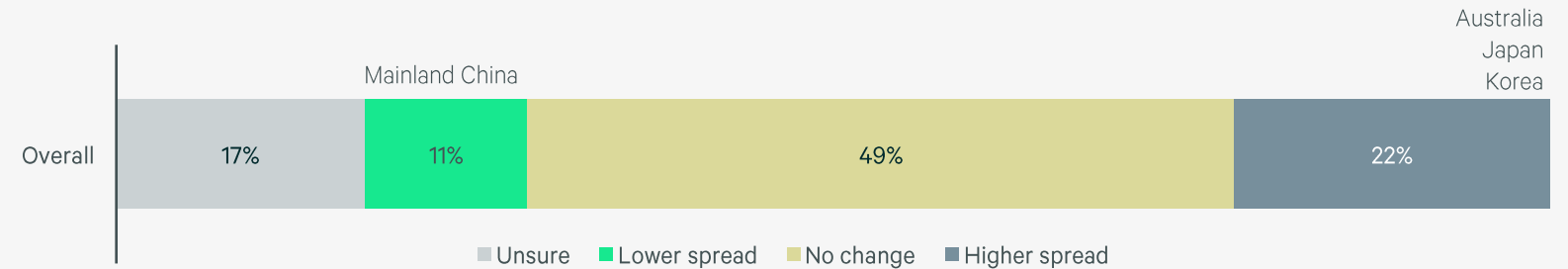
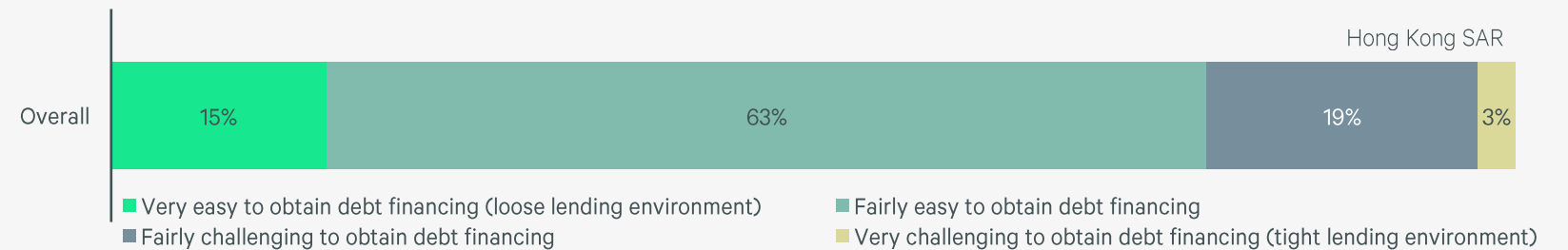


Figure 9: How would you characterise the debt & lending environment for completed, stabilised assets in your market?



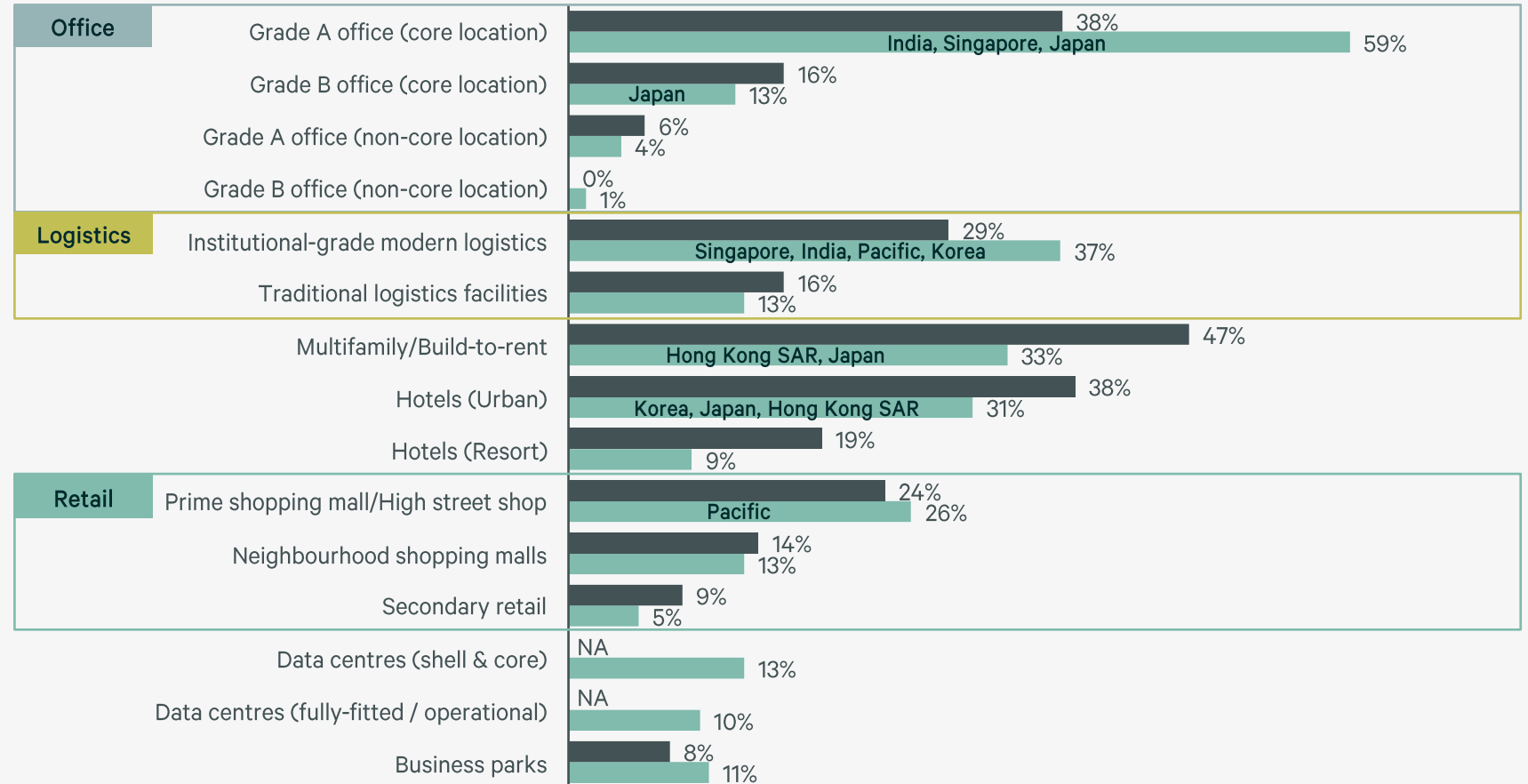
Source: CBRE Research, March 2026.

03

Grade A offices attract strongest
interest of any sector

Grade A offices take top spot as most preferred sector for investment

Figure 10: In terms of the number of enquiries, which major sectors are your clients most interested in at present?



Note: Respondents could select up to three options.
Source: CBRE Research, March 2026.

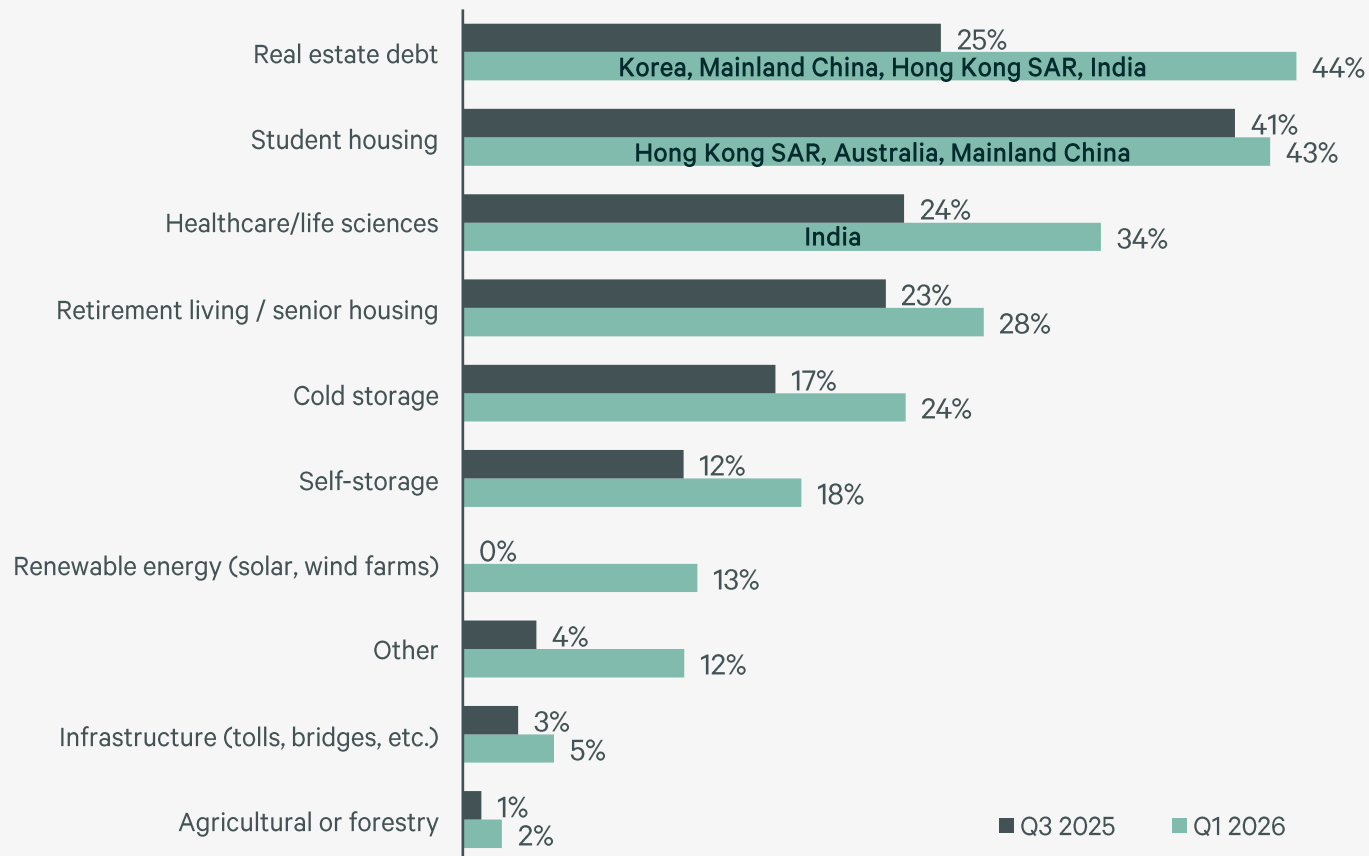
■ Q3 2025 ■ Q1 2026

Real estate debt and student housing seen as most attractive alternative sectors

Interest in student housing strengthened in this edition of the survey, edging up slightly from Q3 2025.

Much of this increase is being driven by [mainland China](#), which has seen a surge in interest this year on the back of steady growth in the number of university students along with a widening supply-demand gap.

Figure 11: In terms of the number of enquiries, which alternative sectors are your clients most interested in at present?



Note: Respondents could select up to three options.
Source: CBRE Research, March 2026.

04

Summary tables of indicative cap rates

Summary table of indicative cap rates – Grade A Office

Country	City	Grade A Office					
		Core Locations			Decentralised		
		March 2026	Past six-month change	Six-month Outlook	March 2026	Past six-month change	Six-month Outlook
Australia	Sydney	5.55 – 6.55	◀▶	▲	6.75 – 8.40	▲	▲
	Melbourne	6.15 – 7.60	◀▶	▲	7.15 – 8.90	◀▶	▲
	Brisbane	6.00 – 7.50	◀▶	▲	7.00 – 8.15	◀▶	▲
	Perth	6.75 – 8.40	◀▶	▲	7.60 – 8.60	◀▶	▲
New Zealand	Auckland	6.25 – 7.75	▼	◀▶	6.90 – 8.25	▼	◀▶
	Wellington	6.35 – 8.00	◀▶	◀▶	7.20 – 8.75	◀▶	◀▶
Greater China	Beijing	5.00 – 6.25	▲	◀▶	5.50 – 6.75	▲	◀▶
	Shanghai	5.00 – 6.25	▲	◀▶	5.50 – 6.75	▲	◀▶
	Guangzhou	5.15 – 6.15	▲	◀▶	5.25 – 6.45	▲	◀▶
	Shenzhen	5.00 – 6.50	▲	◀▶	5.50 – 6.75	▲	◀▶
	Hong Kong SAR	3.00 – 4.25	▲	◀▶	3.75 – 5.25	▲	▲
	Taipei	2.25 – 2.70	◀▶	◀▶	2.45 – 3.00	◀▶	◀▶
Japan	Tokyo	2.00 – 3.00	◀▶	◀▶	3.00 – 4.00	◀▶	◀▶
	Osaka	2.50 – 3.50	▼	◀▶	3.50 – 4.50	◀▶	◀▶
Korea	Seoul	3.75 – 4.65	◀▶	◀▶	4.40 – 5.40	◀▶	◀▶
Singapore	Singapore	3.25 – 3.80	▼	▼	3.75 – 4.35	◀▶	◀▶
India	Gurgaon	7.50 – 8.00	◀▶	◀▶	8.00 – 8.65	◀▶	◀▶
	Mumbai	7.65 – 8.00	▼	◀▶	8.00 – 8.50	▼	◀▶
	Bangalore	7.50 – 8.40	◀▶	◀▶	8.00 – 8.50	▼	◀▶
Vietnam	Ho Chi Minh City	6.00 – 7.00	◀▶	◀▶	7.50 – 8.50	◀▶	◀▶

Source: CBRE Research, March 2026.

Summary table of indicative cap rates – Shopping Mall

Country	City	Shopping Mall					
		Core Locations			Neighbourhood		
		March 2026	Past six-month change	Six-month Outlook	March 2025	Past six-month change	Six-month Outlook
Australia	Sydney	5.00 – 6.50	▼	▲	5.25 – 6.25	▼	▲
	Melbourne	5.00 – 6.50	◀▶	▲	5.25 – 6.25	◀▶	▲
	Brisbane	5.25 – 7.00	▼	▲	5.25 – 6.75	▼	▲
	Perth	5.25 – 7.00	▼	▲	5.90 – 6.90	▼	▲
New Zealand	Auckland	6.35 – 7.80	▼	▼	6.40 – 7.65	▼	▼
	Christchurch	6.90 – 8.35	▼	▼	6.60 – 8.10	▼	▼
	Wellington	7.15 – 8.75	◀▶	◀▶	7.20 – 8.75	◀▶	◀▶
Greater China	Beijing	5.00 – 6.50	◀▶	◀▶	5.00 – 6.50	◀▶	◀▶
	Shanghai	5.00 – 6.50	◀▶	◀▶	5.00 – 6.50	◀▶	◀▶
	Guangzhou	5.05 – 6.30	◀▶	◀▶	5.15 – 6.40	◀▶	◀▶
	Shenzhen	5.00 – 6.75	◀▶	◀▶	5.25 – 6.75	◀▶	◀▶
	Hong Kong SAR	4.45 – 5.45	▲	◀▶	5.45 – 6.95	▲	◀▶
	Taipei	3.15 – 3.85	▲	◀▶	3.45 – 4.15	▲	◀▶
Japan	Tokyo	2.50 – 3.50	▼	◀▶	3.80 – 4.80	◀▶	◀▶
	Osaka	3.00 – 4.00	◀▶	◀▶	4.20 – 5.20	◀▶	◀▶
Korea	Seoul	5.25 – 5.75	▲	◀▶	5.90 – 8.00	▲	◀▶
Singapore	Singapore	4.35 – 5.00	▼	▼	4.35 – 5.00	▼	▼
India	Gurgaon	7.15 – 7.75	◀▶	◀▶	7.45 – 8.00	◀▶	◀▶
	Mumbai	7.15 – 7.75	▼	◀▶	7.35 – 8.00	▼	◀▶
	Bangalore	7.15 – 7.75	▼	◀▶	7.45 – 8.30	▼	◀▶
Vietnam	Ho Chi Minh City	6.50 – 7.50	◀▶	◀▶	7.50 – 9.00	◀▶	◀▶

Source: CBRE Research, March 2026.

Summary table of indicative cap rates – Logistics

Country	City	Logistics					
		Institutional Grade Logistics (Citywide)			Traditional Logistics Facilities (Citywide)		
		March 2026	Past six-month change	Six-month Outlook	March 2026	Past six-month change	Six-month Outlook
Australia	Sydney	5.15 – 5.65	◀▶	▲	5.40 – 6.05	◀▶	▲
	Melbourne	5.60 – 6.10	◀▶	▲	5.90 – 6.80	◀▶	▲
	Brisbane	5.40 – 5.90	▲	▲	6.10 – 6.45	▲	▲
	Perth	5.75 – 6.50	▲	▲	6.65 – 7.25	▲	▲
New Zealand	Auckland	5.05 – 5.65	▼	◀▶	5.75 – 6.95	▼	◀▶
	Christchurch	5.25 – 6.75	◀▶	◀▶	6.05 – 9.10	▲	◀▶
Greater China	Beijing	5.25 – 6.25	▲	◀▶	5.50 – 6.75	▲	◀▶
	Shanghai	5.40 – 6.00	▲	◀▶	5.50 – 6.75	◀▶	◀▶
	Guangzhou	5.40 – 6.25	▲	◀▶	6.00 – 7.00	▲	◀▶
	Shenzhen	5.00 – 6.00	◀▶	◀▶	5.50 – 6.50	▲	◀▶
	Hong Kong SAR	4.90 – 5.75	▲	◀▶	5.25 – 6.20	▲	▲
	Taipei	3.10 – 3.40	▼	▼	3.50 – 3.95	▼	▼
Japan	Tokyo	3.20 – 4.20	▲	◀▶	4.00 – 5.00	▲	◀▶
	Osaka	3.50 – 4.50	▲	◀▶	4.20 – 5.20	▲	◀▶
Korea	Seoul	4.90 – 5.50	◀▶	◀▶	5.25 – 6.20	◀▶	▲
Singapore	Singapore	5.50 – 6.50	▼	▼	6.25 – 7.10	▼	▼
India	Gurgaon	7.15 – 7.75	◀▶	◀▶	7.85 – 8.50	◀▶	◀▶
	Mumbai	7.15 – 7.75	◀▶	◀▶	7.80 – 8.50	◀▶	◀▶
	Bangalore	7.15 – 7.75	◀▶	◀▶	7.80 – 8.50	◀▶	◀▶
Vietnam	Ho Chi Minh City	6.00 – 7.00	◀▶	◀▶	7.25 – 8.25	▲	◀▶

Source: CBRE Research, March 2026.

Summary table of indicative cap rates – Hotel

Country	City	Hotel (Urban)		
		March 2026	Past six-month change	Six-month Outlook
Australia	Sydney	5.50 – 6.25	◀▶	▲
	Melbourne	5.95 – 6.75	▼	▲
	Brisbane	5.75 – 7.00	◀▶	▲
	Perth	6.75 – 7.90	◀▶	▲
New Zealand	Auckland	6.00 – 7.25	▼	◀▶
	Wellington	6.65 – 7.75	▼	◀▶
Greater China	Beijing	5.50 – 6.50	◀▶	◀▶
	Shanghai	5.00 – 6.00	◀▶	◀▶
	Guangzhou	5.00 – 6.00	◀▶	◀▶
	Hong Kong SAR	4.40 – 5.60	▼	▼
Japan	Tokyo	3.05 – 3.90	◀▶	◀▶
	Osaka	3.50 – 4.40	◀▶	◀▶
Korea	Seoul	4.65 – 5.50	▼	◀▶
Singapore	Singapore	3.60 – 4.20	◀▶	◀▶
Thailand	Bangkok	6.00 – 6.50	▲	▲
India	Gurgaon	6.35 – 7.05	▼	◀▶
	Mumbai	6.35 – 7.05	▼	◀▶
	Bangalore	6.35 – 7.05	▼	◀▶
Vietnam	Hanoi	7.00 – 9.00	◀▶	◀▶
	Ho Chi Minh City	7.00 – 9.00	◀▶	◀▶

Source: CBRE Research, March 2026.

Summary table of indicative cap rates – Multifamily/Build-to-Rent

Country	City	Multifamily/Build-to-Rent		
		March 2026	Past six-month change	Six-month Outlook
Australia	Sydney	4.15 – 4.40	◀▶	▲
	Melbourne	4.25 – 4.50	◀▶	▲
	Brisbane	4.40 – 4.75	◀▶	▲
Greater China	Beijing	5.00 – 6.50	▲	◀▶
	Shanghai	4.90 – 6.50	▲	◀▶
	Hong Kong SAR	3.40 – 4.50	▼	▼
Japan	Tokyo	2.50 – 3.80	◀▶	◀▶
	Osaka	3.00 – 4.20	◀▶	◀▶
Korea	Seoul	4.75 – 5.75	▲	▲
Singapore	Singapore	3.65 – 4.15	◀▶	◀▶

Source: CBRE Research, March 2026.

Summary table of indicative cap rates – Student Housing

Country	City	Student Housing		
		March 2026	Past six-month change	Six-month Outlook
Australia	Sydney	4.75 – 5.00	◀▶	▲
	Melbourne	5.00 – 5.25	◀▶	▲
	Brisbane	5.25 – 5.50	◀▶	▲
Greater China	Hong Kong SAR	4.45 – 5.25	▼	▼
Japan	Tokyo	2.80 – 4.50	◀▶	◀▶
	Osaka	4.00 – 5.00	◀▶	◀▶
India	Gurgaon	8.50 – 9.00	◀▶	◀▶
	Mumbai	8.50 – 9.00	◀▶	◀▶
	Bangalore	8.50 – 9.00	◀▶	◀▶

Source: CBRE Research, March 2026.

Summary table of indicative cap rates – Data Centre

Country	City	Data Centre					
		Hyperscale data centres (shell & core)			Hyperscale data centres (fully-fitted / operational)		
		March 2026	Past six-month change	Six-month Outlook	March 2026	Past six-month change	Six-month Outlook
Australia	Sydney	5.00 – 5.50	▼	◀▶	5.50 – 6.25	◀▶	◀▶
	Melbourne	5.25 – 5.75	▼	◀▶	5.75 – 6.50	▲	◀▶
Greater China	Beijing	6.00 – 7.00	◀▶	◀▶	7.00 – 8.00	◀▶	◀▶
	Shanghai	6.00 – 6.90	◀▶	◀▶	6.75 – 7.75	◀▶	◀▶
	Hong Kong SAR	4.75 – 5.70	▲	▼	5.00 – 6.25	▼	◀▶
Japan	Tokyo	3.35 – 3.65	▲	◀▶	3.90 – 4.45	▲	◀▶
	Osaka	3.35 – 3.65	▲	◀▶	3.90 – 4.45	▲	◀▶
Korea	Seoul	5.25 – 5.50	◀▶	◀▶	5.50 – 6.25	▼	◀▶
Singapore	Singapore	5.25 – 6.00	◀▶	◀▶	5.75 – 6.25	▼	◀▶

Source: CBRE Research, March 2026.

Definitions

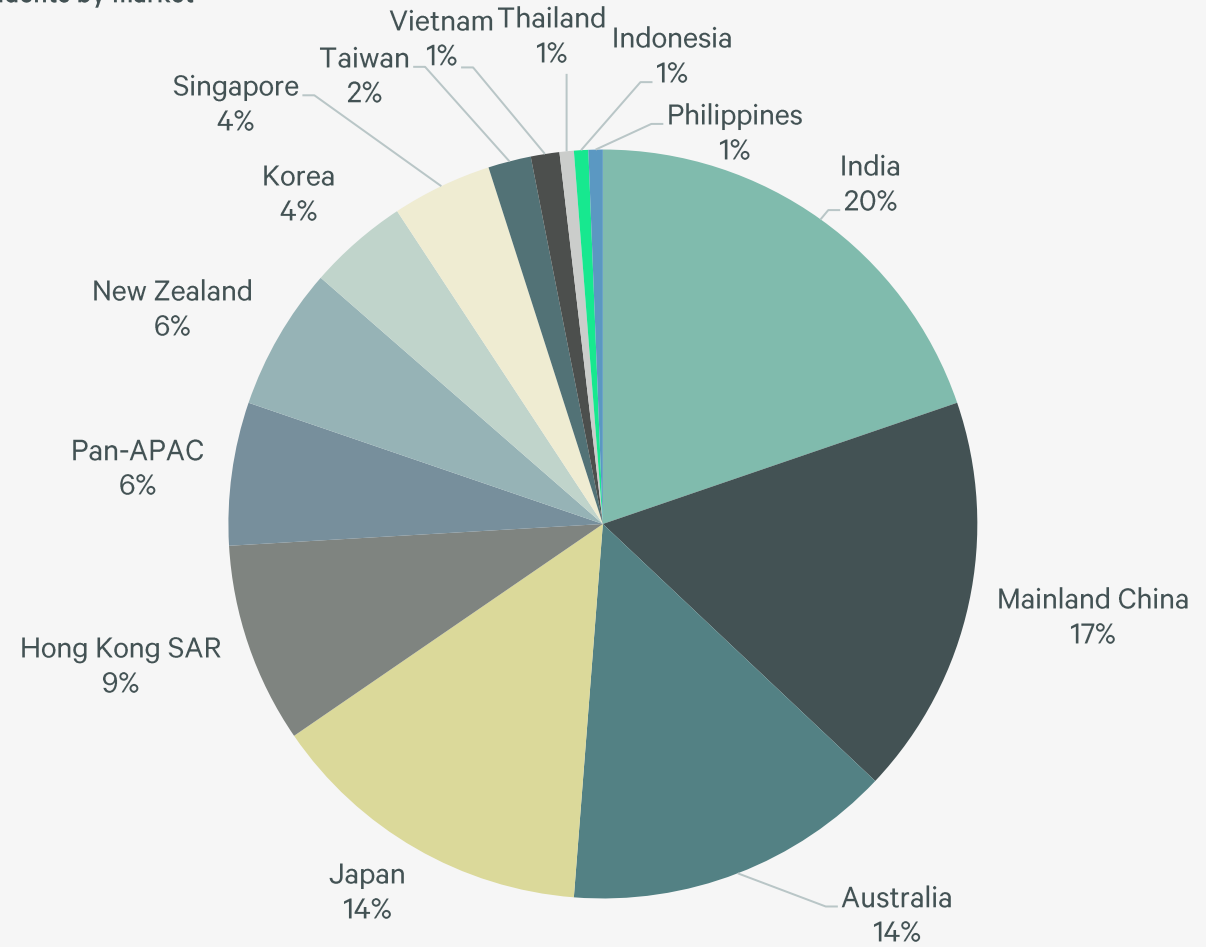
- Cap rate ranges are best estimates provided by CBRE professionals based on recent trades in their respective markets, as well as communications with investors. The ranges represent the cap rates at which a given asset is likely to trade in the current market. Cap rates within each subtype will vary, occasionally falling outside the stated ranges, based on asset location, quality and property-specific opportunities for NOI enhancement.
- The cap rate assumes no leverage is used. It is the ratio of the net operating income (NOI) to the acquisition price of the asset (NOI divided by acquisition price). The NOI calculation is based on net income less operating expenses.
- Capital markets respondents provide net operating income (NOI) yield without leverage while Valuation & Advisory Services respondents provide the capitalisation rate (net).

Survey Profile

CBRE's Q1 2026 Asia Pacific Cap Rate Survey was conducted from March 16th to March 31st, 2026.

A total of 150 responses were collected from CBRE's Capital Markets and Valuation & Advisory Services professionals across Asia Pacific.

Percentage of respondents by market



Source: CBRE Research, March 2026.

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