Intelligent Investment

Asia Pacific Cap Rate Survey Q3 2026

REPORT

CBRE RESEARCH
OCTOBER 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 September 11th, 2026, to October 2nd, 2026. A total of 128 responses were collected from CBRE's Capital Markets and Valuation & Advisory Services professionals across Asia Pacific.



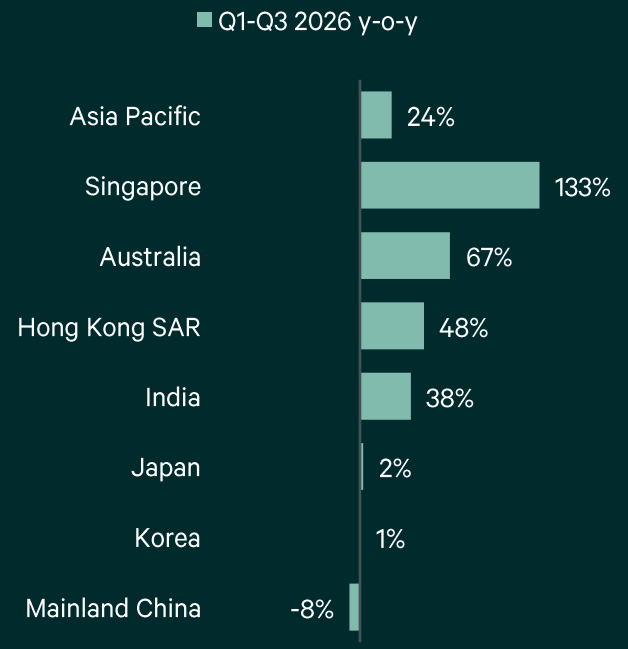
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01 Market Performance and Appetite

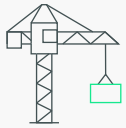
Robust investment activity in H1 2026 helps propel resilient y-o-y growth y-t-d

Q1-Q3 2026 APAC Investment Volume

+24% y-o-y



02 Risks and Opportunities



Interest rate hikes and elevated construction and labour costs named as top concerns



Occupier fundamentals seen as favourable to investment sentiment

03 Shift in Cap Rate Trends

Cap rates in

- **Australia** face upward pressure
- **Shanghai (logistics)** are tightening

04 Investor Interest



Increase in selling intentions



Grade A offices named as most attractive sector



Healthcare / life sciences identified as most popular alternative sector

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01

Investment sentiment weakens further as interest rates rise

Risk appetite moderates as central banks hike rates

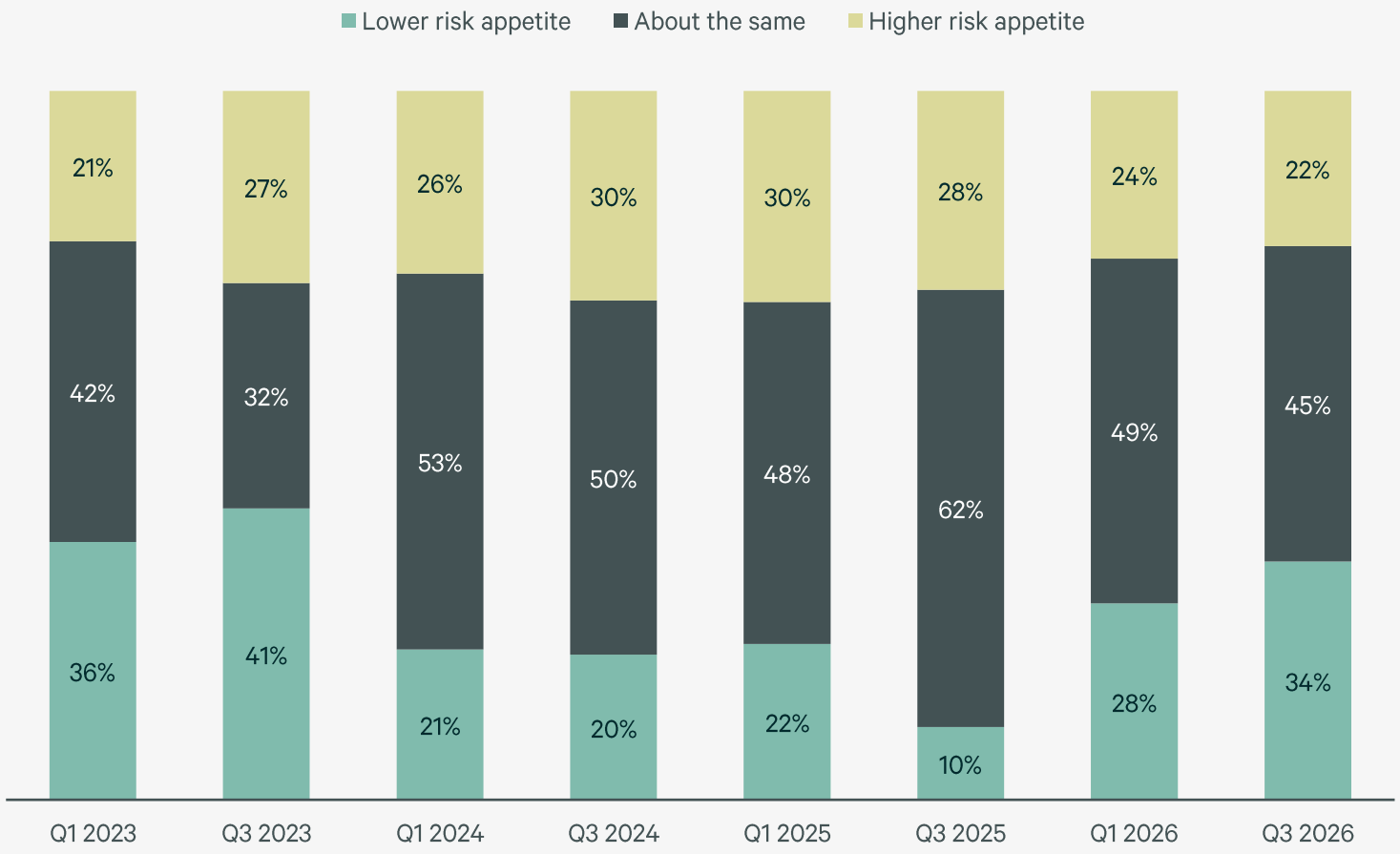
Investor sentiment is turning more defensive, with the net balance of higher less lower risk appetite falling 30 percentage points from +18 in Q3 2025 to -12 in Q3 2026.

Those who sat on the fence throughout 2025 are now leaning more conservative, with the percentage of respondents stating that investors' risk appetite was “about the same” compared to six months ago falling to 45% from 62% a year earlier. This erosion of the middle ground in favour of lower risk appetite suggests more investors are opting for caution.

There is a bullish cohort of roughly one in five continuing to report as having higher risk appetite.

These findings indicate that the market is becoming more delineated, with a larger group of cautious investors and smaller set of buyers still willing to commit.

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



Source: CBRE Research, September 2026.

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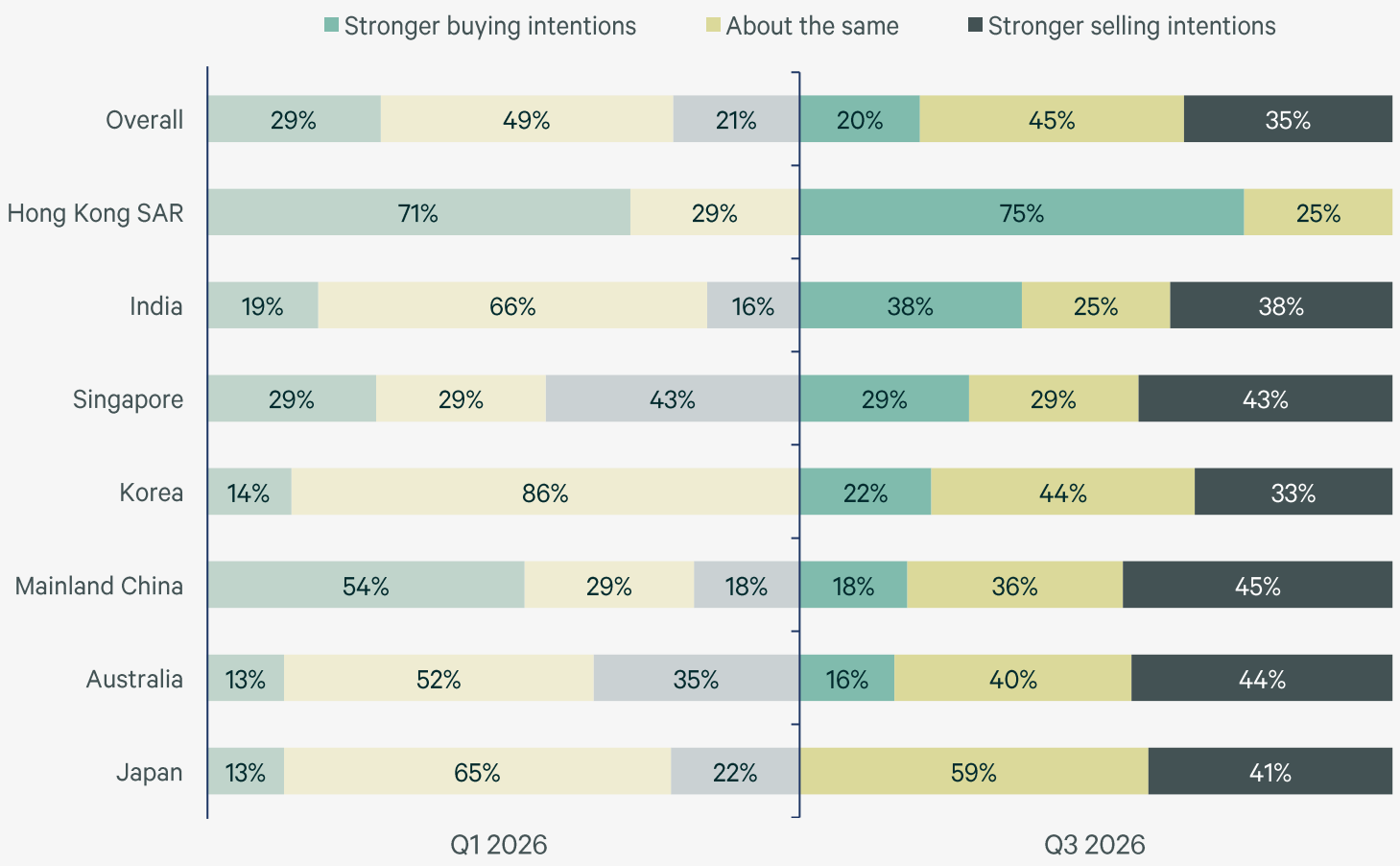
Selling intentions increase in most markets

Investors' selling intentions across the region have strengthened. In Q3 2026, 35% of respondents reported stronger selling intentions, up from 21% in Q1 2026, while the share reporting stronger buying intentions fell to 20% from 29%.

Mainland China showed the sharpest shift, with the net balance of buying minus selling intentions moving to -27 percentage points from +36, with Australia, Japan and Singapore also leaning to sellers.

Hong Kong SAR is on a different track, with 75% of respondents reporting stronger buying intentions. India and Korea reported an increase in both buying and selling intentions, which points to a more polarised market in these countries.

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



Source: CBRE Research, September 2026.

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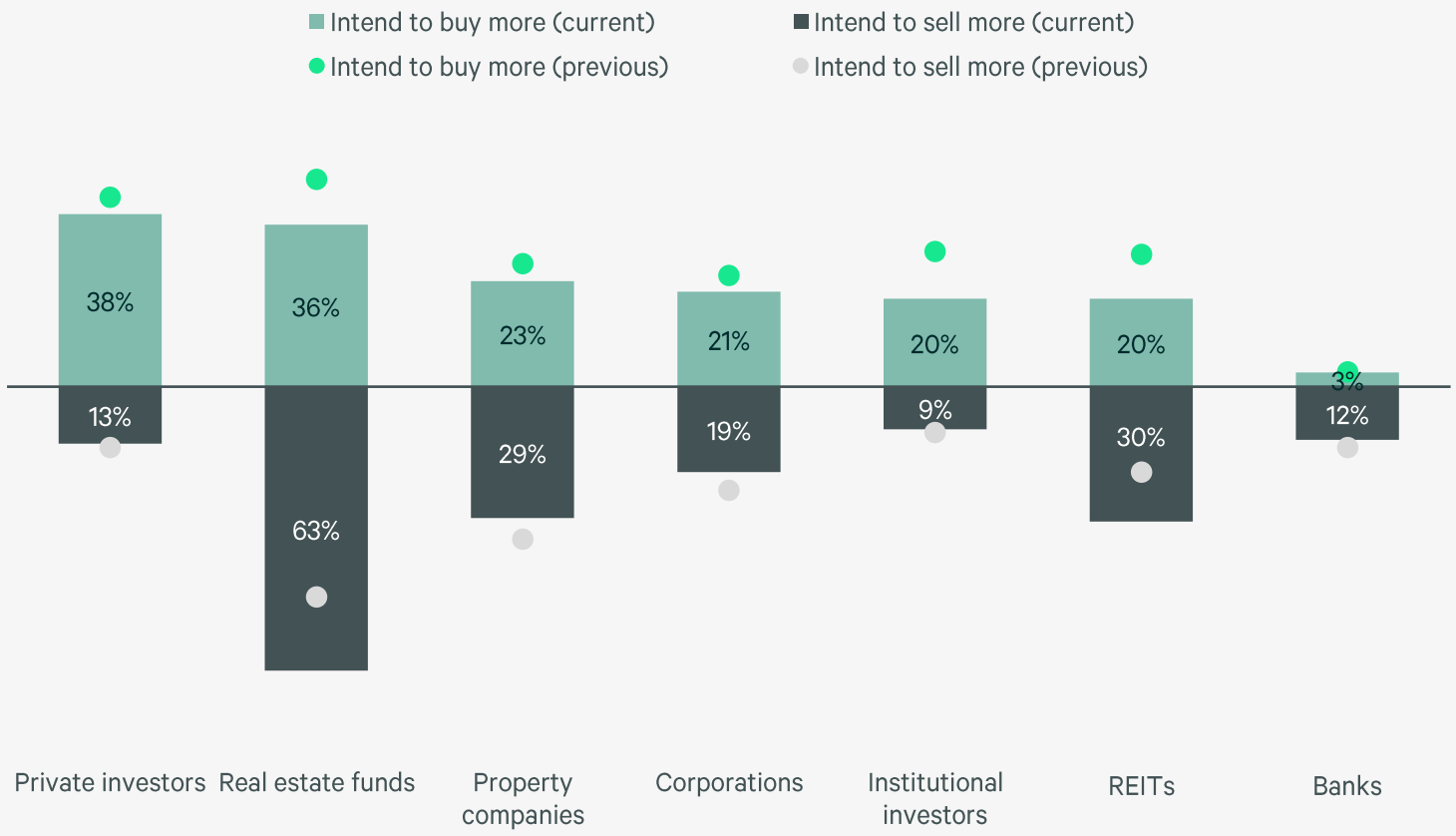
Buying intentions weaken across investor types; selling intentions increase for funds and REITs

Selling pressure in Asia Pacific is concentrating in pooled capital, while private investors carry most of the remaining buying interest.

Among real estate funds, selling intentions increased in mainland China, Australia and Korea compared to six months ago.

Among REITs, selling intentions strengthened in Japan and Korea.

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



Source: CBRE Research, September 2026.

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02

Interest rates viewed as top challenge; occupier fundamentals seen as offering investment opportunities

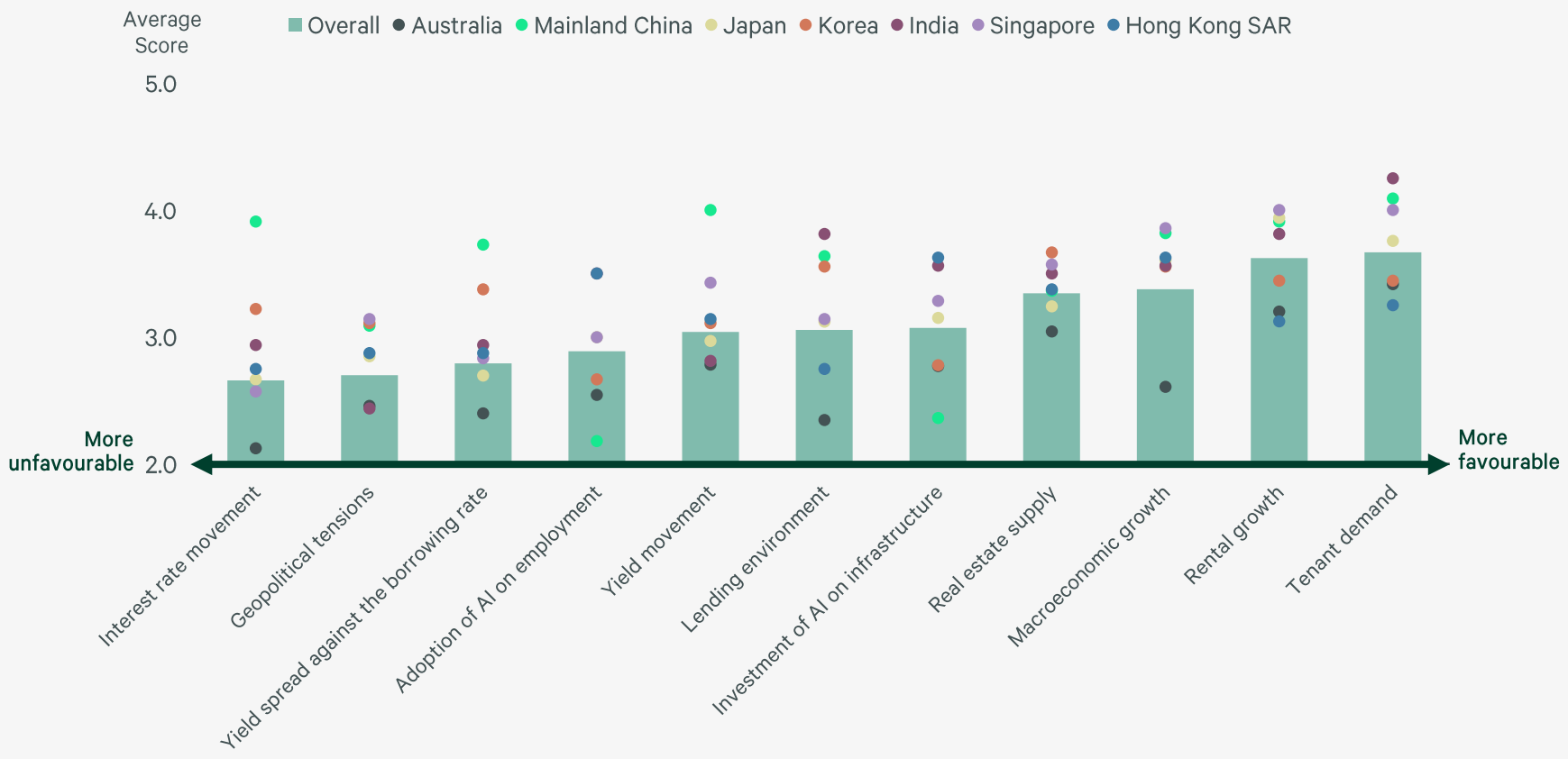
Occupier fundamentals seen as most favourable to investment sentiment

Respondents see the real estate market itself as sound and the cost of capital as the main constraint on investment sentiment over the coming six months.

Tenant demand and rental growth rank as the most favourable factors. Interest rate movement ranks as the most unfavourable, with geopolitical tensions and yield spread also scoring below neutral.

Investment in AI and its potential impact on employment is seen as having a neutral impact on sentiment.

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, September 2026.

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Interest rate hike viewed as investors' top challenge

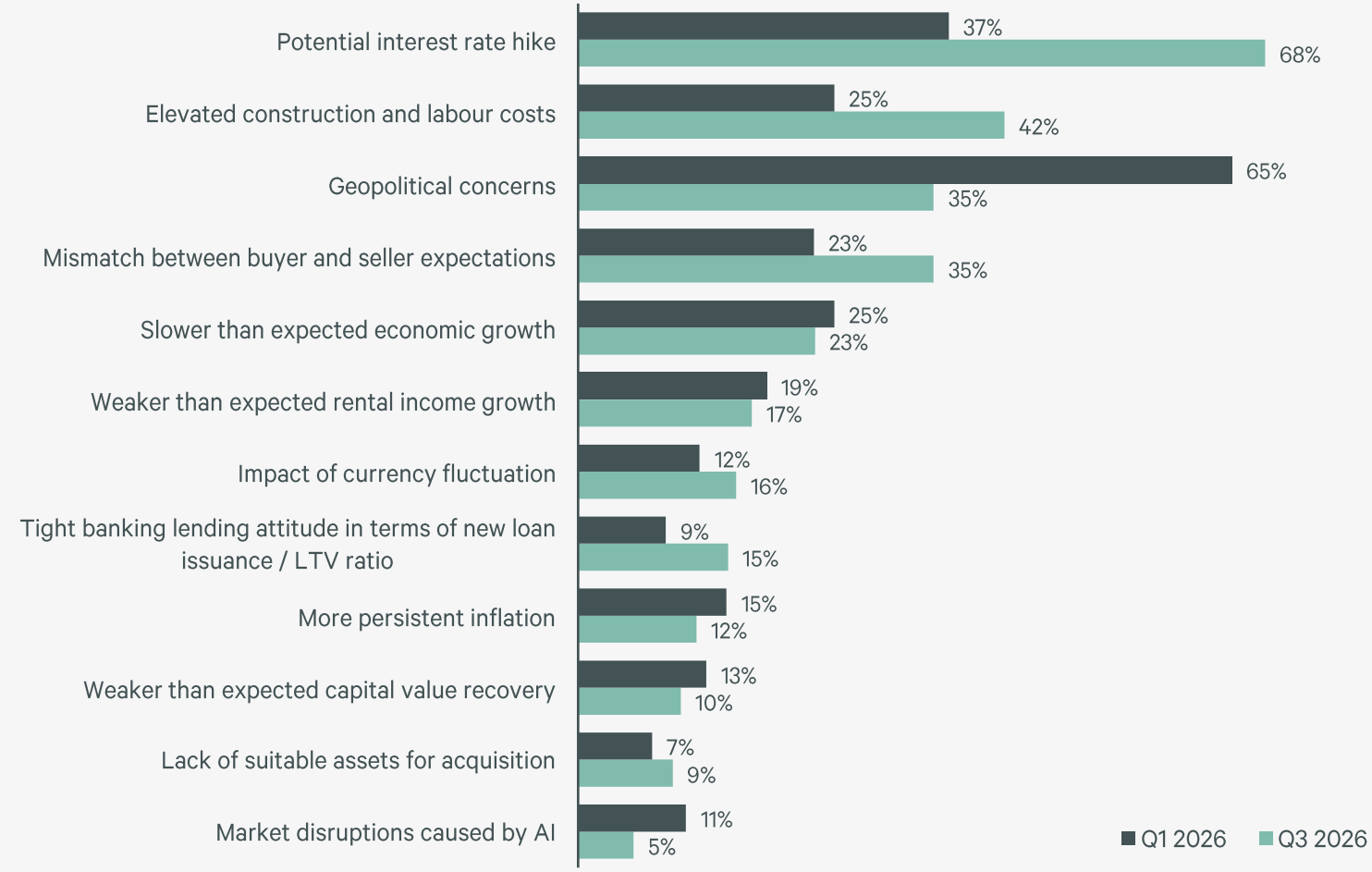
Recent months have seen an evolution in the major challenges facing the industry, with investor concern shifting from geopolitics to the cost of capital.

Respondents identified a potential interest rate hike as the top challenge, while those selecting geopolitical concerns fell by almost half. However, geopolitical issues still represent the third biggest concern.

Elevated construction and labour costs have emerged as a more pressing concern, particularly in Japan, Singapore and India.

The gap between buyer and seller expectations has widened to 35% from 23%, which aligns with the rise in selling intentions reported earlier in this survey.

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, September 2026.

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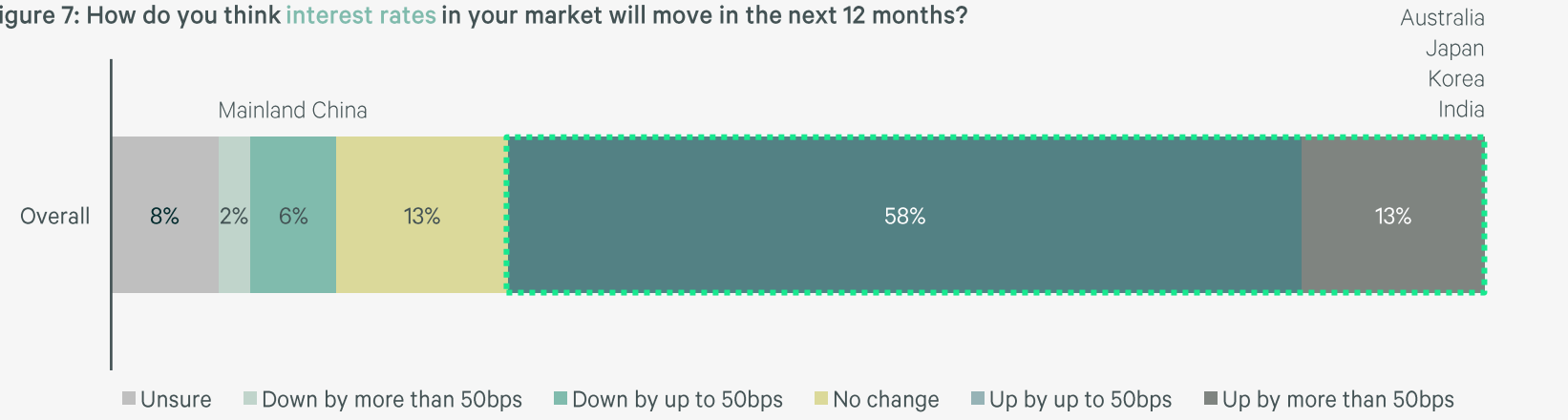
Financing remains easy to obtain but borrowing rates are increasing

Respondents characterised the overall lending environment as primarily very or fairly easy, and being supportive of the capital markets.

Except for mainland China, most respondents expect interest rates to climb upward in the next 12 months.

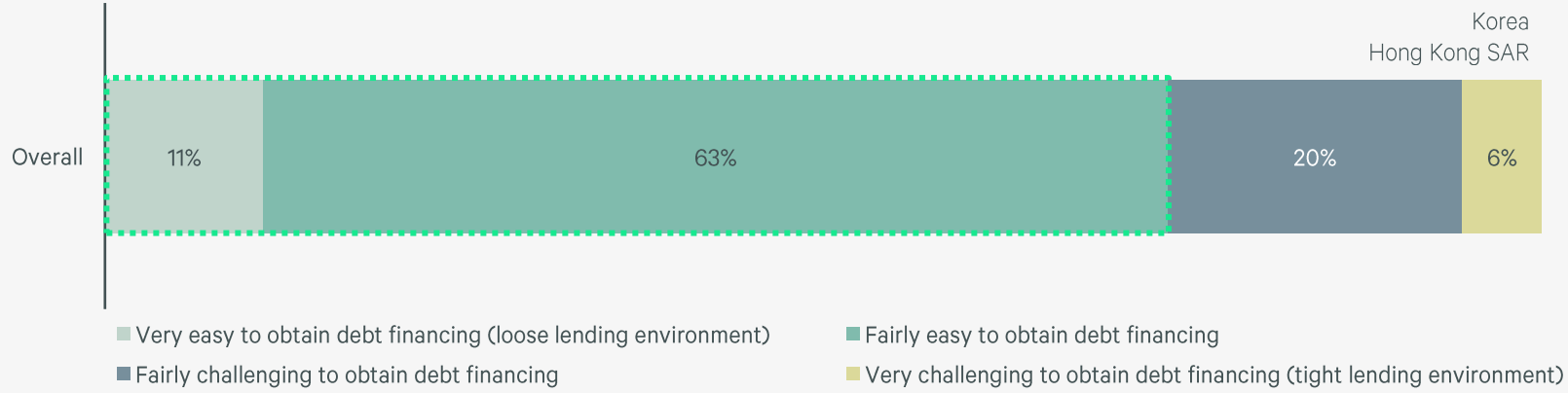
While most major markets continue to see an accommodative lending environment, Hong Kong SAR and Korea present more challenging financing environments. Contributing factors in the latter include project financing risk, government policy that prioritises lending to AI-related sectors, and negative yield-debt spreads.

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



Source: CBRE Research, September 2026.

Figure 8: How would you characterise the debt & lending environment for completed, stabilised assets in your market?



Source: CBRE Research, September 2026.

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03

Grade A offices attract strongest interest of any sector

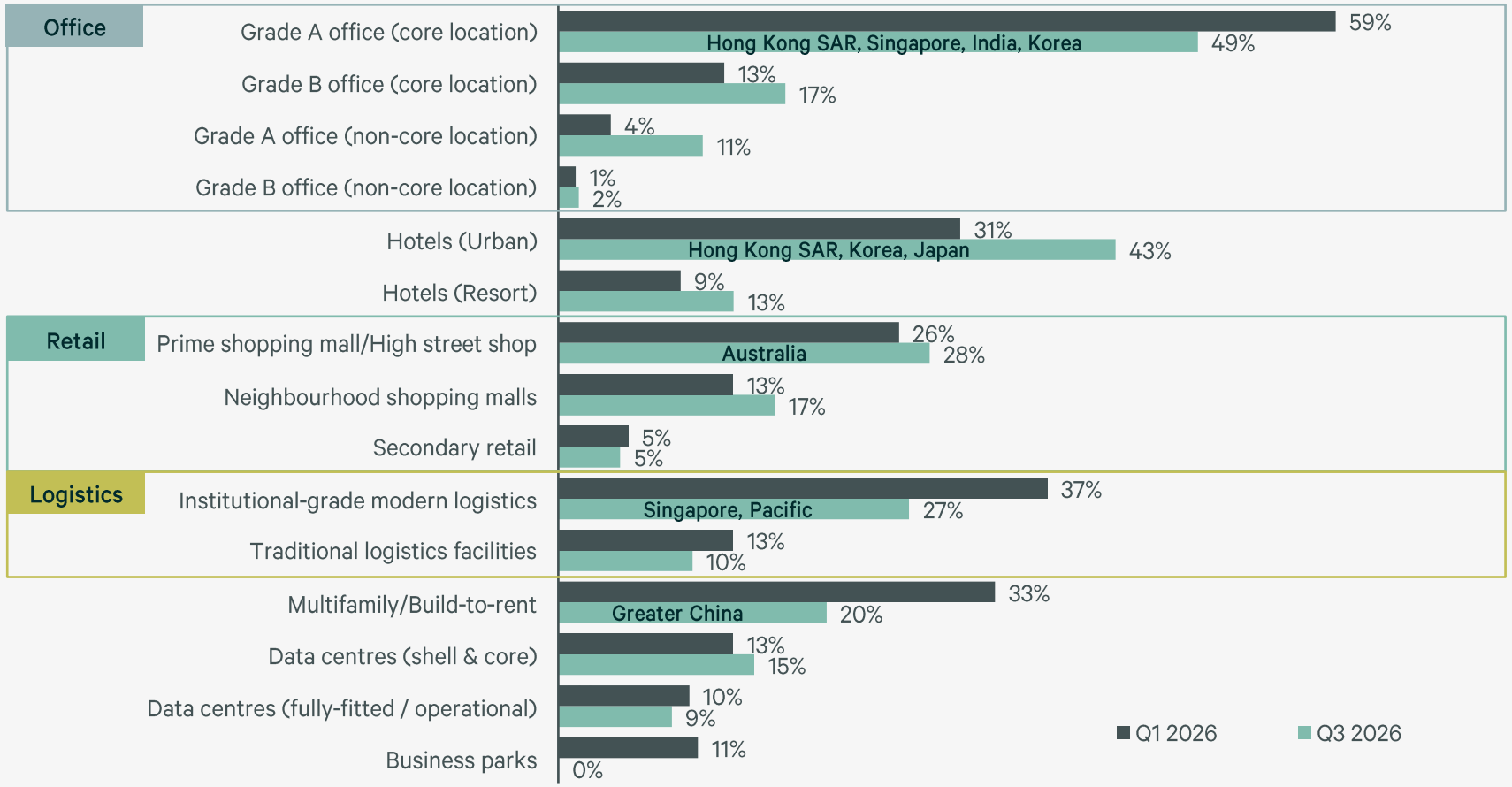
Grade A office retains position as most preferred sector

Grade A core offices remain the most sought-after asset class. Interest is also spreading to lower-tier office space, be it Grade B in core locations or Grade A in non-core locations, and to hotels.

Urban hotels exhibited the largest gain in popularity, rising to 43% from 31% and moving into second place, underpinned by strong interest in Hong Kong SAR, Korea and Japan.

Institutional-grade logistics, multifamily and build-to-rent and business parks all lost ground, suggesting investor attention is rotating from logistics and living assets toward office and hospitality.

Figure 9: In terms of the number of enquiries, which major sectors are your clients most interested in at present?



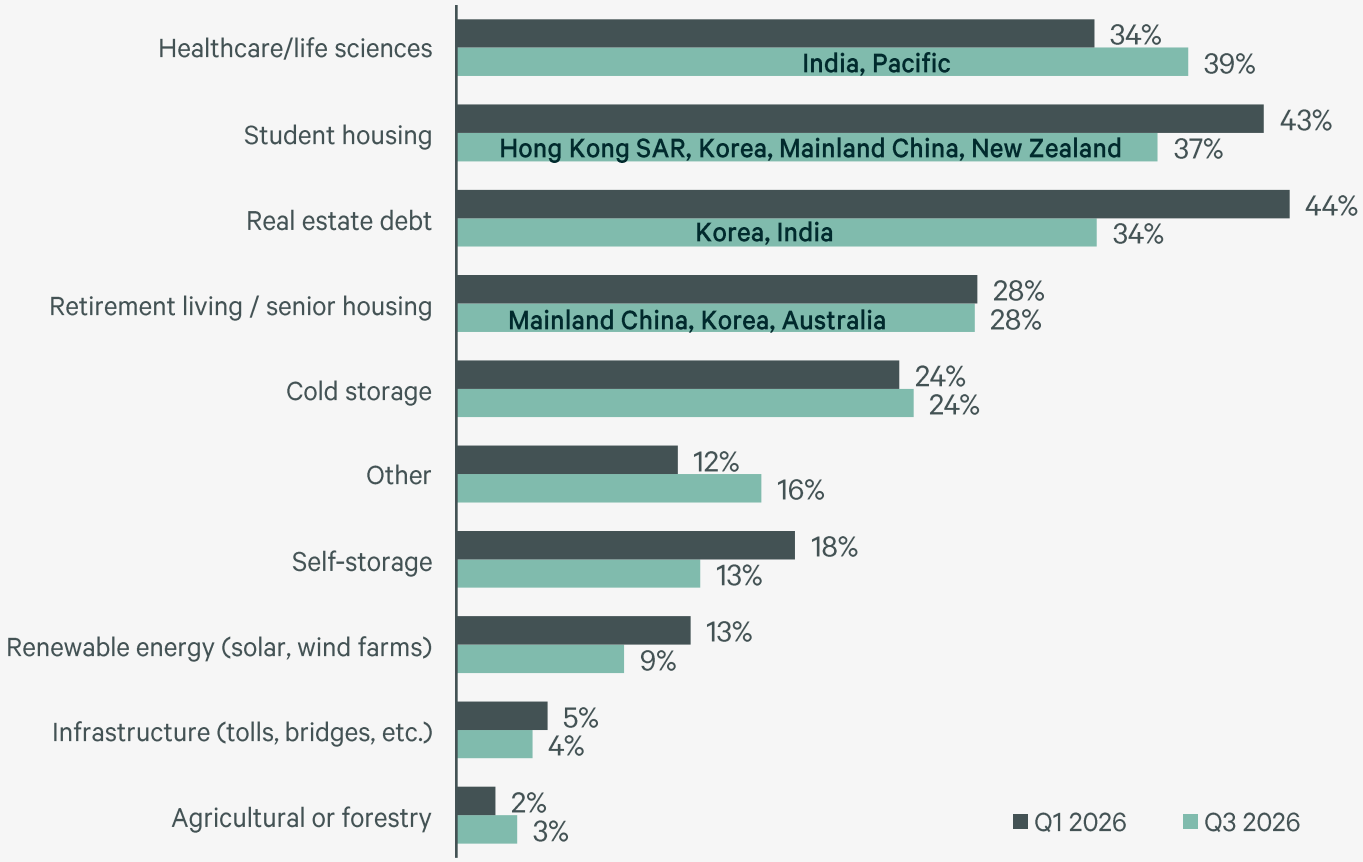
Note: Respondents could select up to three options.
Source: CBRE Research, September 2026.

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Healthcare and student housing named most popular alternative sectors

Interest in healthcare/life sciences strengthened in this edition of the survey. India is attracting the strongest interest of any market, as relatively affordable healthcare costs attract foreign tourists to the country for medical treatment.

Figure 10: 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, September 2026.

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04

Summary tables of indicative cap rates

Summary table of indicative cap rates – Grade A Office

Country	City	Grade A Office					
		Core Locations			Decentralised		
		September 2026	Past six-month change	Six-month Outlook	September 2026	Past six-month change	Six-month Outlook
Australia	Sydney	5.55 – 6.55	◀▶	▲	6.75 – 8.40	◀▶	▲
	Melbourne	6.40 – 8.10	▲	▲	7.75 – 9.50	▲	▲
	Brisbane	6.00 – 7.50	◀▶	▲	7.10 – 8.20	▲	▲
	Perth	6.75 – 8.40	◀▶	▲	7.60 – 8.60	◀▶	▲
New Zealand	Auckland	6.25 – 7.75	◀▶	▲	7.25 – 8.75	▲	▲
	Christchurch	5.75 – 7.15	◀▶	◀▶	6.90 – 8.00	◀▶	◀▶
	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 – 7.00	▲	◀▶
	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	◀▶	◀▶	3.90 – 5.50	▲	▲
	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	7.50 – 8.00	▼	◀▶	8.00 – 8.50	◀▶	◀▶
	Bangalore	7.50 – 8.25	▼	◀▶	8.00 – 8.50	◀▶	◀▶
Vietnam	Ho Chi Minh City	6.00 – 7.00	◀▶	◀▶	7.50 – 8.50	◀▶	◀▶

Source: CBRE Research, September 2026.

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Summary table of indicative cap rates – Shopping Mall

Country	City	Shopping Mall					
		Core Locations			Neighbourhood		
		September 2026	Past six-month change	Six-month Outlook	September 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 – 6.90	▼	▲	5.25 – 6.75	◀▶	▲
	Perth	5.25 – 7.00	◀▶	▲	6.00 – 7.00	▲	▲
New Zealand	Auckland	6.30 – 7.75	▼	◀▶	6.25 – 7.65	▼	◀▶
	Christchurch	6.75 – 8.00	▼	◀▶	6.40 – 7.90	▼	◀▶
	Wellington	7.15 – 8.70	▼	◀▶	7.10 – 8.65	▼	◀▶
Greater China	Beijing	5.00 – 6.50	◀▶	◀▶	5.00 – 6.50	◀▶	◀▶
	Shanghai	5.50 – 6.50	▲	◀▶	5.50 – 7.00	▲	◀▶
	Guangzhou	5.05 – 6.40	▲	◀▶	5.15 – 6.40	◀▶	◀▶
	Shenzhen	5.00 – 6.75	◀▶	◀▶	5.25 – 6.75	◀▶	◀▶
	Hong Kong SAR	4.70 – 5.70	▲	▲	5.60 – 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	◀▶	◀▶	4.30 – 4.90	▼	◀▶
India	Gurgaon	7.50 – 7.75	◀▶	◀▶	7.60 – 8.00	◀▶	◀▶
	Mumbai	7.50 – 7.75	◀▶	◀▶	7.75 – 8.00	◀▶	◀▶
	Bangalore	7.50 – 7.75	◀▶	◀▶	7.50 – 8.25	◀▶	◀▶
Vietnam	Ho Chi Minh City	6.50 – 7.50	◀▶	◀▶	7.50 – 9.00	◀▶	◀▶

Source: CBRE Research, September 2026.

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Summary table of indicative cap rates – Logistics

Country	City	Logistics					
		Institutional Grade Logistics (Citywide)			Traditional Logistics Facilities (Citywide)		
		September 2026	Past six-month change	Six-month Outlook	September 2026	Past six-month change	Six-month Outlook
Australia	Sydney	5.15 – 5.65	◀▶	▲	5.40 – 6.05	◀▶	▲
	Melbourne	5.60 – 6.05	▼	▲	5.95 – 6.90	▲	▲
	Brisbane	5.40 – 5.90	◀▶	▲	6.10 – 6.50	▲	▲
	Perth	5.75 – 6.40	▼	▲	6.45 – 7.25	▼	▲
New Zealand	Auckland	5.15 – 5.70	▲	▲	5.90 – 6.95	▲	▲
	Christchurch	5.25 – 6.75	◀▶	◀▶	6.05 – 9.10	◀▶	◀▶
Greater China	Beijing	5.25 – 6.25	◀▶	◀▶	5.50 – 6.75	◀▶	◀▶
	Shanghai	4.75 – 5.75	▼	▼	5.00 – 6.00	▼	▼
	Guangzhou	5.25 – 6.25	◀▶	◀▶	6.00 – 7.00	◀▶	◀▶
	Shenzhen	4.50 – 5.50	◀▶	◀▶	4.75 – 5.75	◀▶	◀▶
	Hong Kong SAR	4.90 – 5.50	▼	◀▶	5.25 – 5.95	▼	▲
	Taipei	3.10 – 3.40	◀▶	◀▶	3.40 – 3.85	▼	▼
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	7.00 – 7.50	◀▶	◀▶	7.25 – 8.00	◀▶	◀▶
	Mumbai	7.00 – 7.50	◀▶	◀▶	7.25 – 8.00	◀▶	◀▶
	Bangalore	7.00 – 7.50	◀▶	◀▶	7.25 – 8.00	◀▶	◀▶
Vietnam	Ho Chi Minh City	7.00 – 8.00	▲	◀▶	9.00 – 11.00	▲	◀▶

Source: CBRE Research, September 2026.

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Summary table of indicative cap rates – Hotel

Country	City	Hotel (Urban)		
		September 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	◀▶	◀▶
	Christchurch	6.50 – 7.50	◀▶	◀▶
	Wellington	6.75 – 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	3.00 – 3.90	▼	◀▶
	Osaka	3.65 – 4.50	▲	◀▶
Korea	Seoul	4.65 – 5.50	◀▶	◀▶
Singapore	Singapore	3.55 – 4.20	▼	◀▶
Thailand	Bangkok	6.00 – 6.50	◀▶	◀▶
India	Gurgaon	6.50 – 7.25	▲	◀▶
	Mumbai	6.50 – 7.25	▲	◀▶
	Bangalore	6.50 – 7.25	▲	◀▶
Vietnam	Hanoi	7.00 – 9.00	◀▶	◀▶
	Ho Chi Minh City	7.00 – 9.00	◀▶	◀▶

Source: CBRE Research, September 2026.

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Summary table of indicative cap rates – Multifamily/BTR/Co-living

Country	City	Multifamily/Build-to-Rent		
		September 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	4.50 – 6.50	▼	◀▶
	Hong Kong SAR	3.65 – 4.50	◀▶	▼
Japan	Tokyo	2.50 – 3.80	◀▶	◀▶
	Osaka	3.00 – 4.20	◀▶	◀▶
Korea	Seoul	4.75 – 5.75	◀▶	◀▶
Singapore	Singapore	3.60 – 4.10	▼	◀▶

Source: CBRE Research, September 2026.

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Summary table of indicative cap rates – Student Housing

Country	City	Student Housing		
		September 2026	Past six-month change	Six-month Outlook
Australia	Sydney	4.80 – 5.05	▲	◀▶
	Melbourne	5.10 – 5.35	▲	◀▶
	Brisbane	5.30 – 5.55	▲	◀▶
Greater China	Hong Kong SAR	4.45 – 5.50	▲	◀▶
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, September 2026.

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Summary table of indicative cap rates – Data Centre

Country	City	Data Centre					
		Hyperscale data centres (shell & core)			Hyperscale data centres (fully-fitted / operational)		
		September 2026	Past six-month change	Six-month Outlook	September 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	◀▶	▲	5.25 – 6.50	▲	▲
Japan	Tokyo	3.35 – 3.65	◀▶	◀▶	4.00 – 4.50	▲	◀▶
	Osaka	3.35 – 3.65	◀▶	◀▶	4.00 – 4.50	▲	◀▶
Korea	Seoul	5.25 – 5.50	◀▶	◀▶	5.50 – 6.25	◀▶	◀▶
Singapore	Singapore	5.25 – 6.00	◀▶	◀▶	5.75 – 6.25	◀▶	◀▶

Source: CBRE Research, September 2026.

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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 based on what is achievable in the market for fully let, core, stabilized properties.

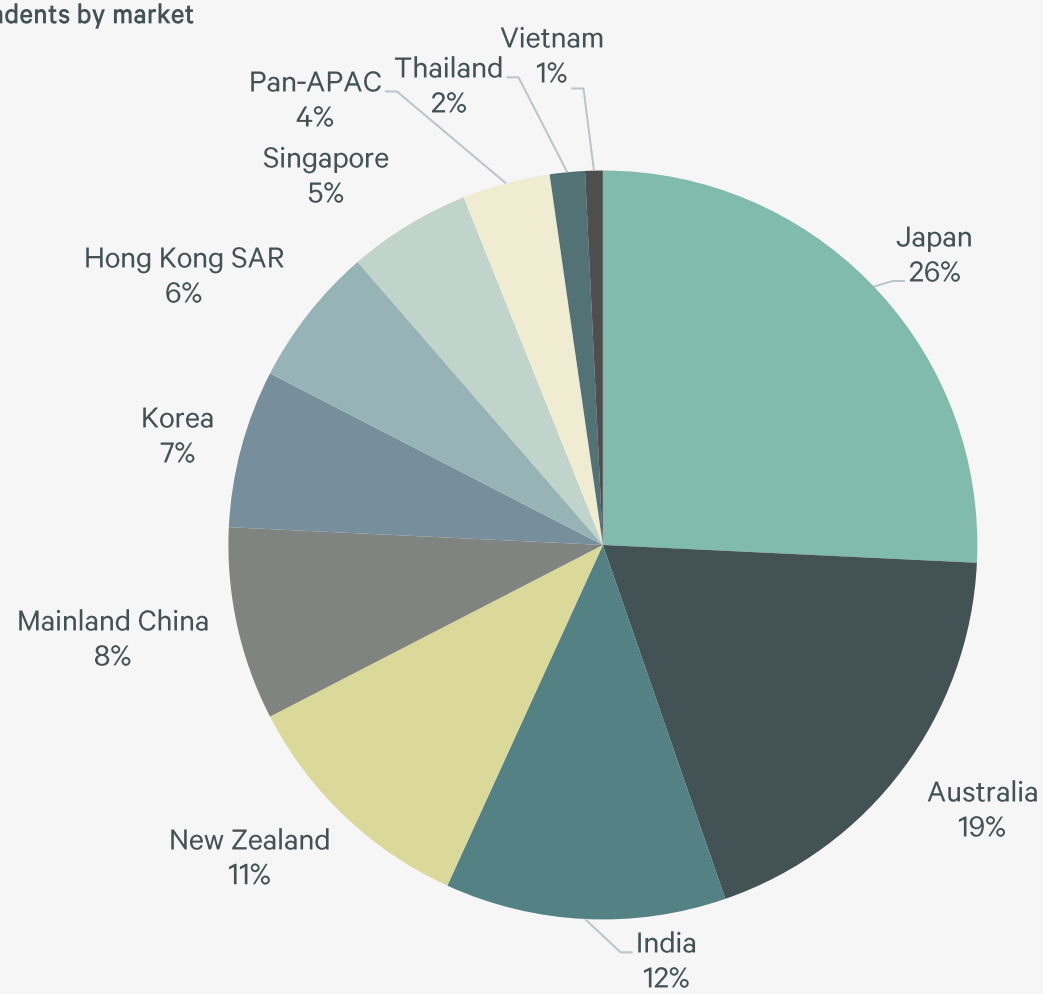
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Survey Profile

CBRE's Q3 2026 Asia Pacific Cap Rate Survey was conducted from September 11th, 2026, to October 2nd, 2026.

A total of 128 responses were collected from CBRE's Capital Markets and Valuation & Advisory Services professionals across Asia Pacific.

Percentage of respondents by market



Source: CBRE Research, September 2026.

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