

Intelligent Investment

Q3 2025 Asia Pacific Cap Rate Survey

REPORT FIGURES

CBRE RESEARCH
OCTOBER 2025

Introduction

CBRE conducts the Asia Pacific Cap Rate Survey with our 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.



01 Market Performance and Appetite

Q1 2025 to Q3 2025 investment activity rises y-o-y amid **declining interest rates** and **asset repricing**

Q1 2025 to Q3 2025 Investment Volume
+20% y-o-y



02 Risks and Opportunities



Focus on **asset repricing** and **rental uplift potential**

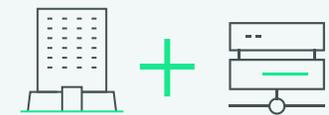


Concerns shift away from **tariffs** to **growth headwinds**

04 Investor Interest

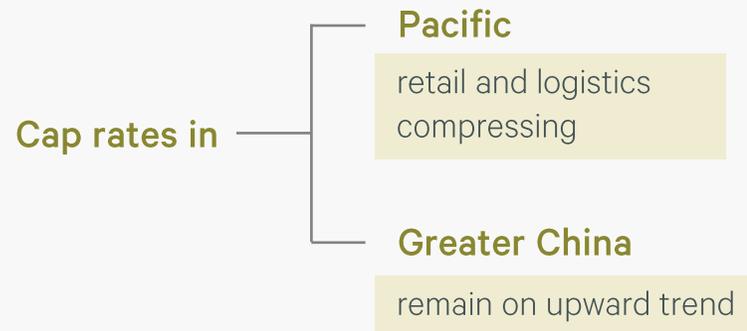


Hong Kong SAR and Australia show strongest upswing in buying intentions



Living sector and data centres remain most attractive sectors

03 Cap Rate Bifurcation

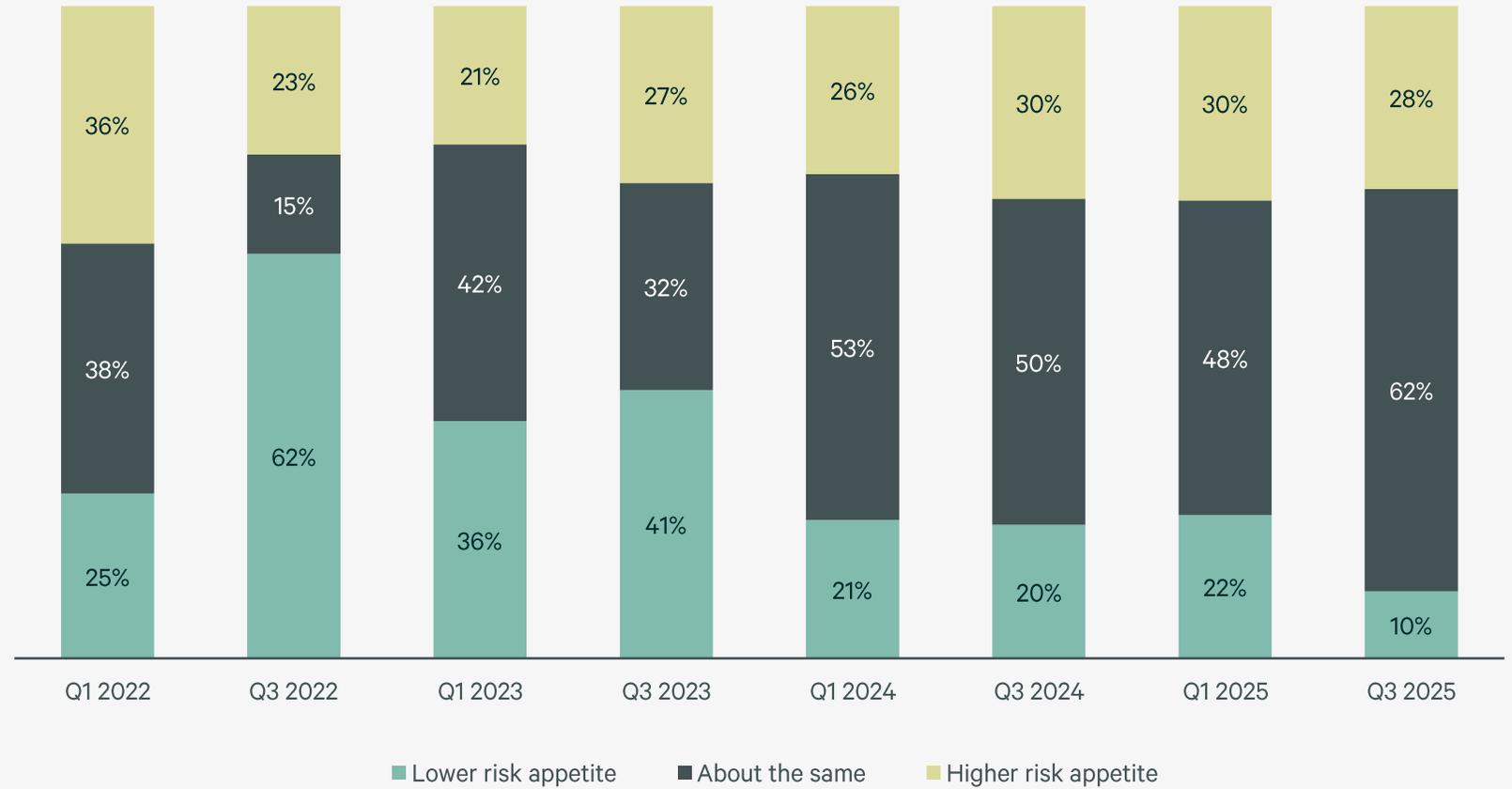


01

Overall improvement in
investment sentiment

Marginal improvement in risk appetite from six months ago

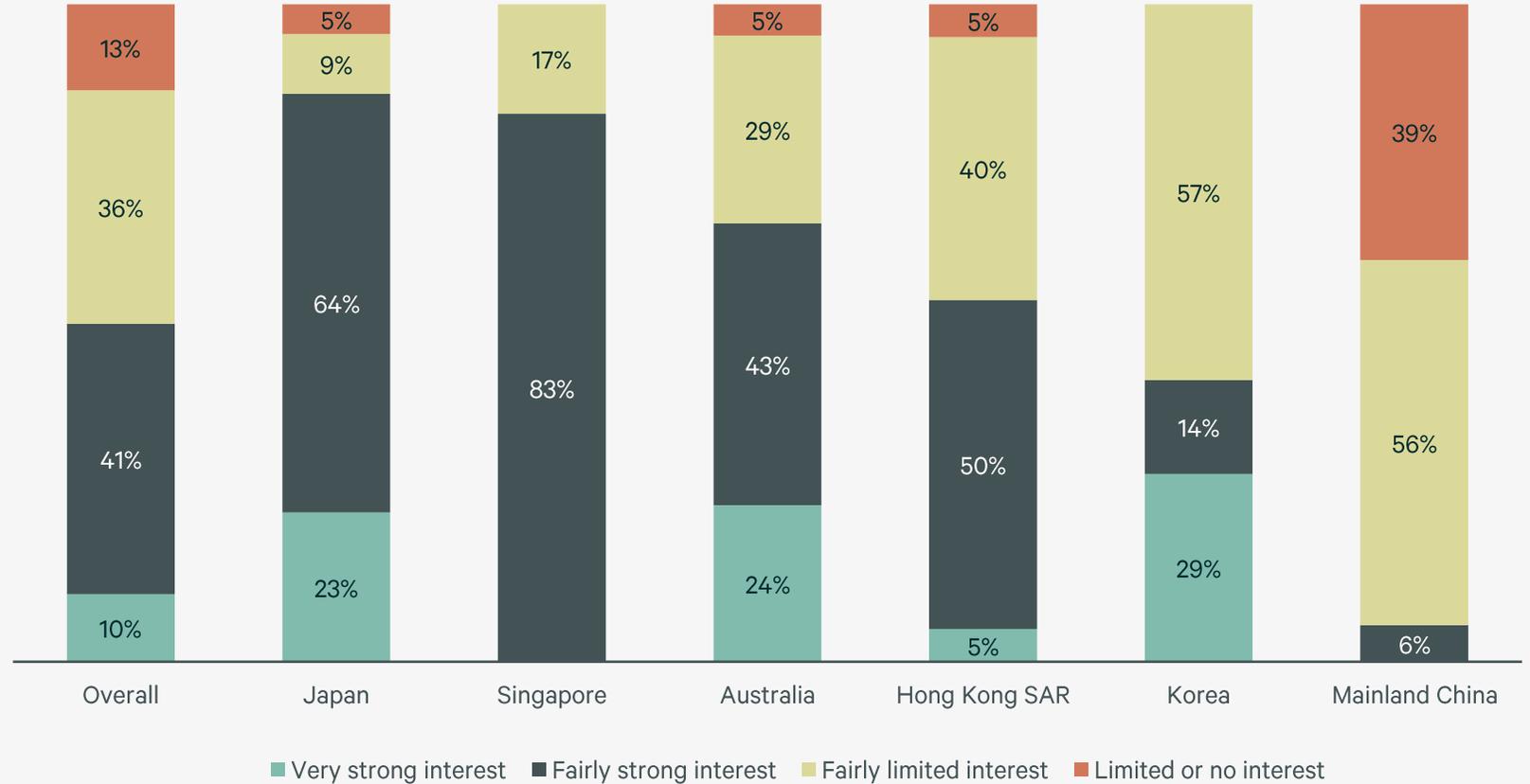
Figure 1: What is investors' risk appetite compared to six months ago?



Source: CBRE Research, September 2025.

Japan, Singapore, Australia are most attractive markets for cross-border investors

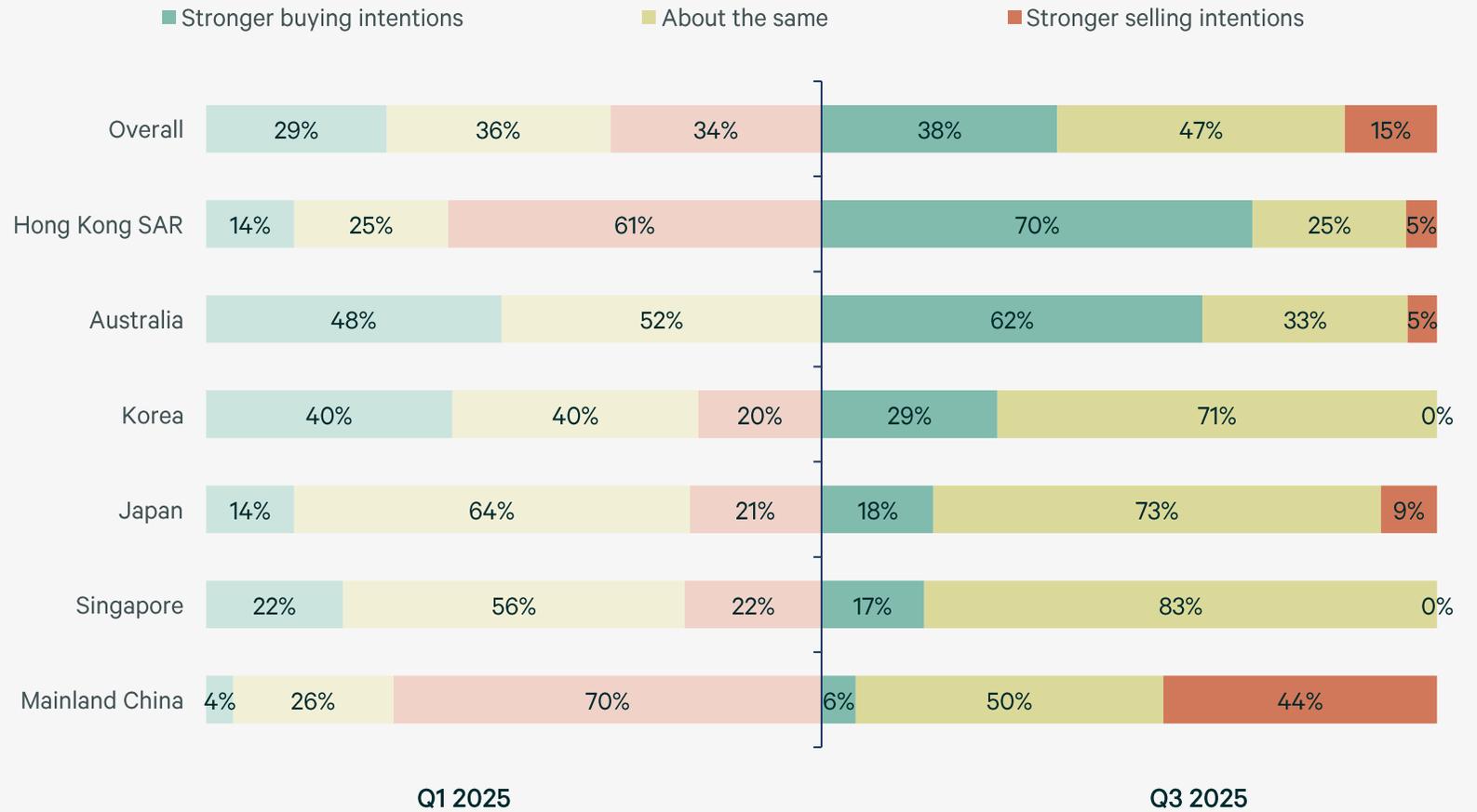
Figure 2: How would you characterise the level of interest from cross-border investors in your market?



Source: CBRE Research, September 2025.

Buying intentions improve in most markets, most notably in Hong Kong SAR

Figure 3: In your market, do you see stronger net buying/selling intentions among your clients compared to six months ago?

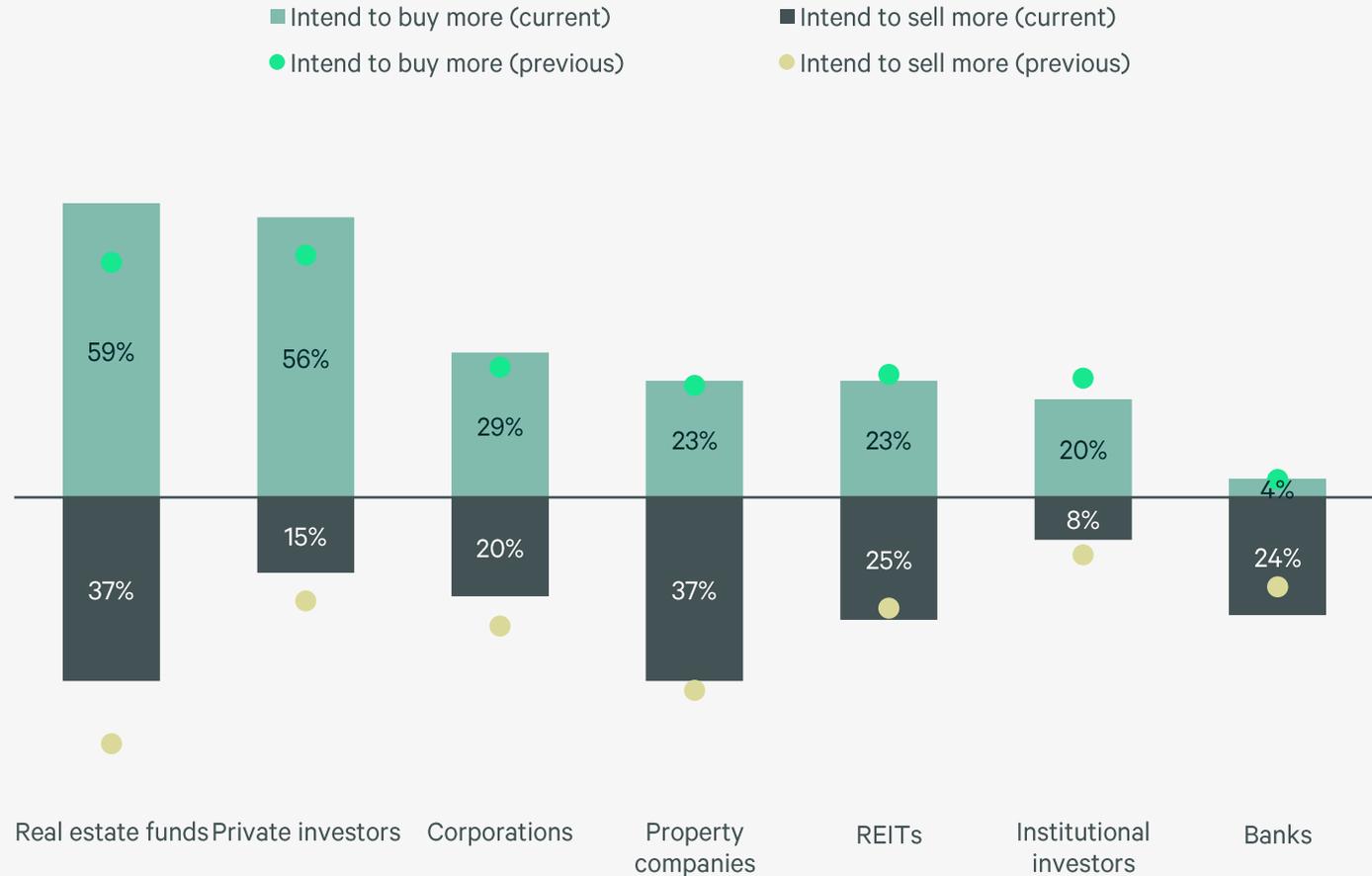


Source: CBRE Research, September 2025.

Buying intentions improve among real estate funds and private investors

- Real estate funds in Korea, Singapore, Pacific, Japan and Hong Kong SAR show stronger buying intentions
- Private investors in Hong Kong SAR, Pacific and Japan also show stronger buying intentions
- In Mainland China, real estate funds, property companies and banks show stronger selling intentions

Figure 4: Which types of investors are showing stronger buying / selling intentions compared to six months ago? (Choose all that apply)



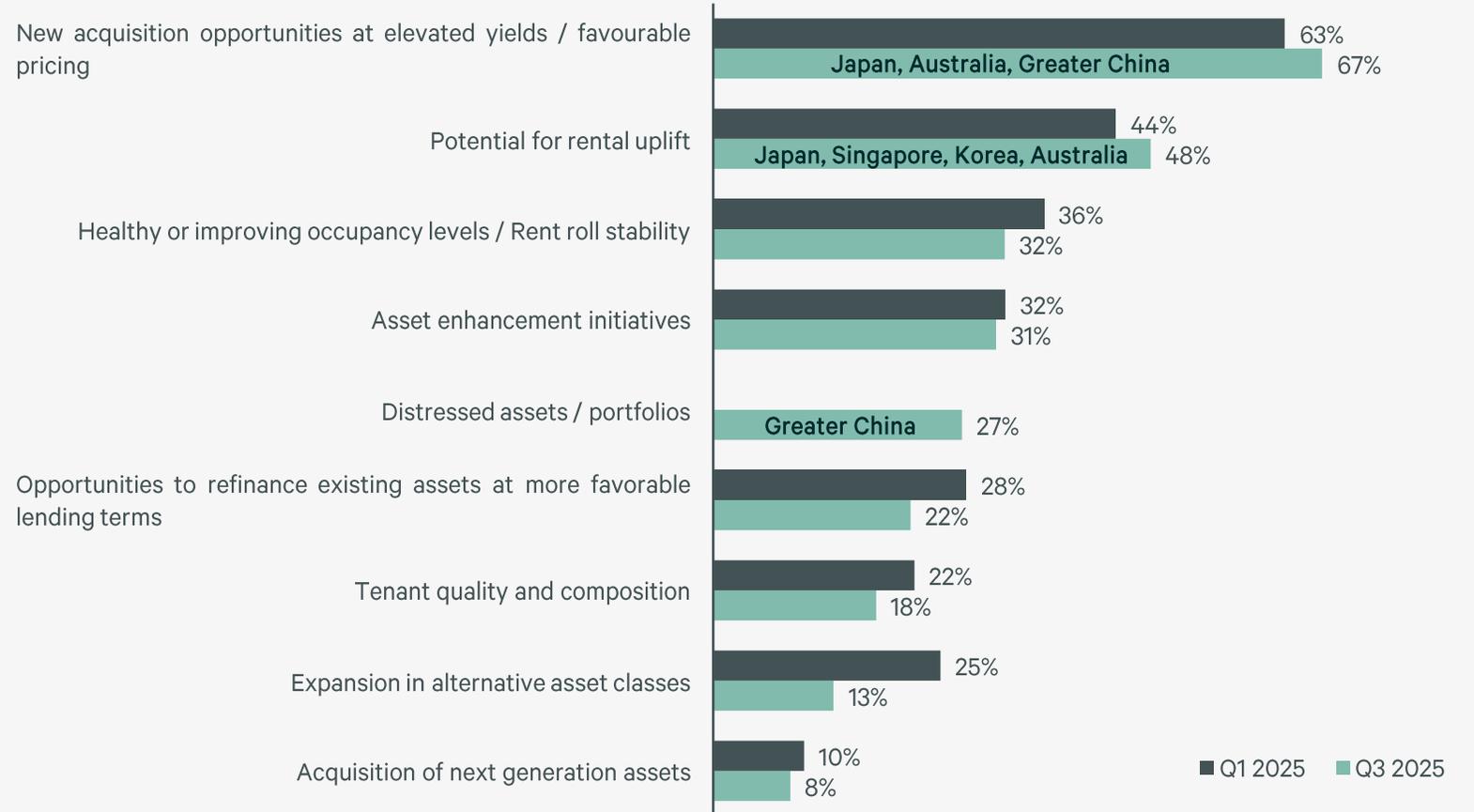
Source: CBRE Research, September 2025.

02

Asset repricing presents
opportunities as tariff concerns
recede

Asset repricing and rental growth remain most sought after growth drivers

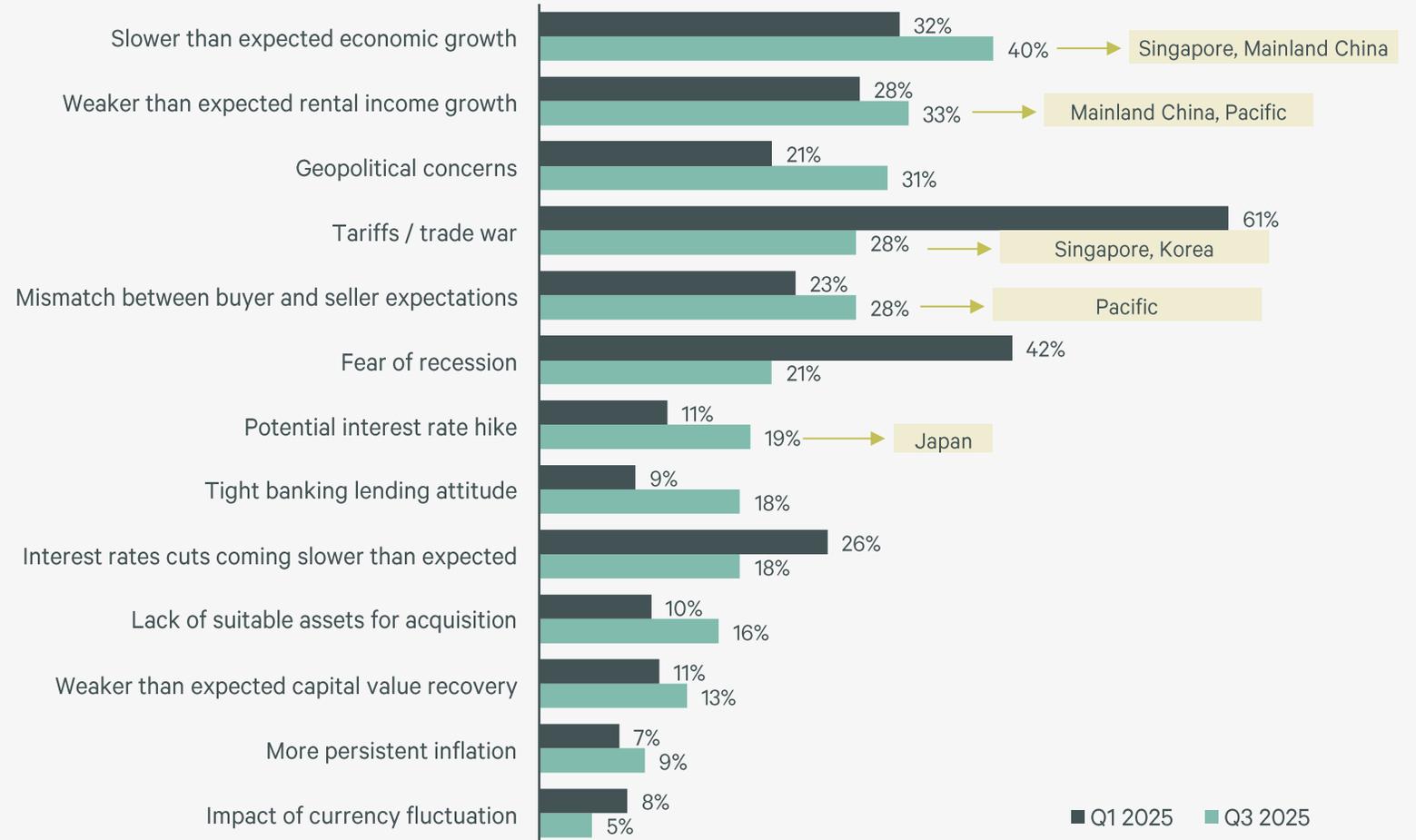
Figure 5: What are the top three factors that your clients are seeking to enhance investment returns in the coming six months?



Note: Respondents could select up to three options.
 Source: CBRE Research, September 2025.

Investors' top concerns shift from tariffs and recession to growth headwinds

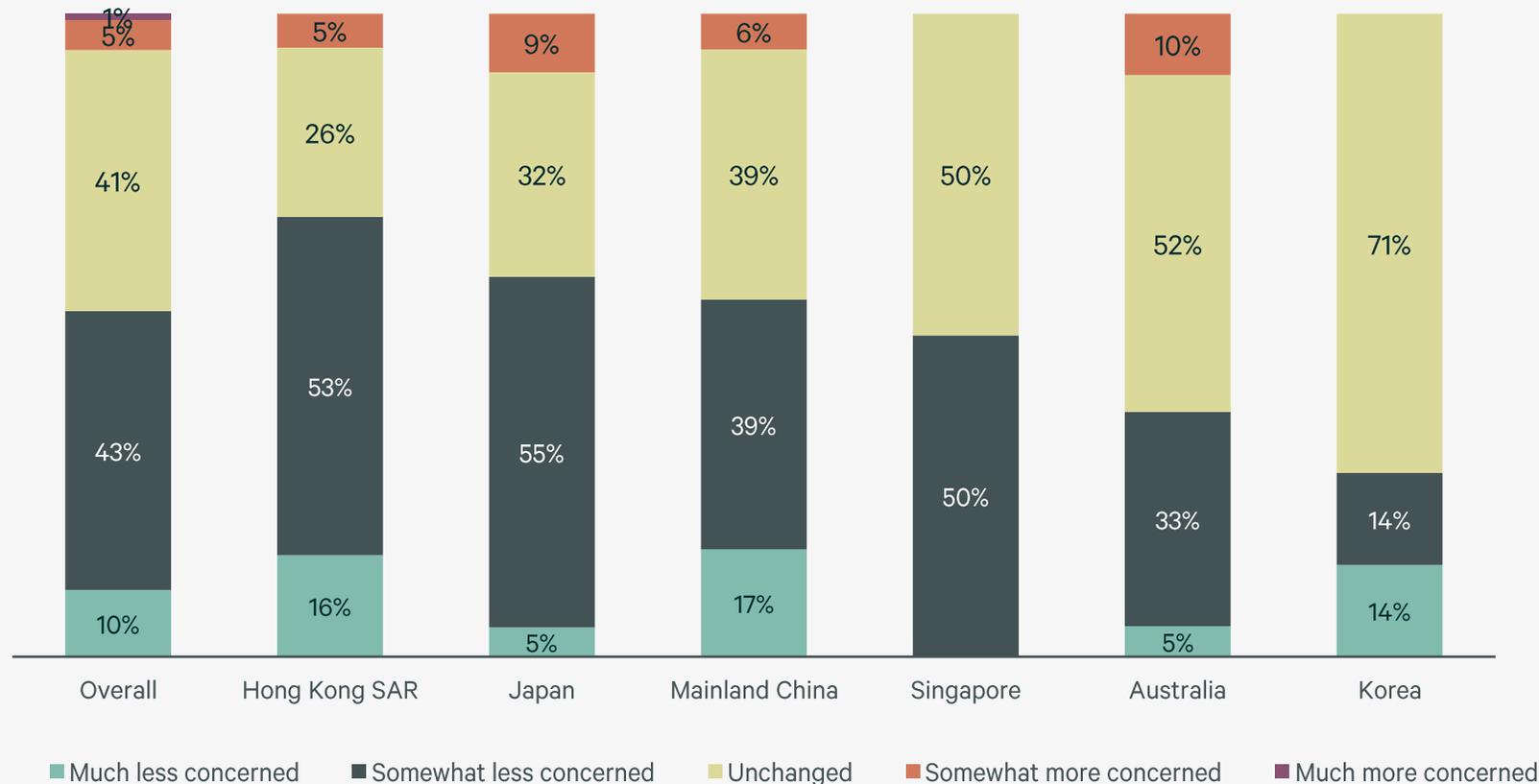
Figure 6: What do your clients view as the major challenges facing real estate investment in the coming six months?



Note: Respondents could select up to three options.
Source: CBRE Research, September 2025.

Investors less concerned about tariffs as trade deals reached with U.S.

Figure 7: How concerned are investors about tariffs compared to six months ago?



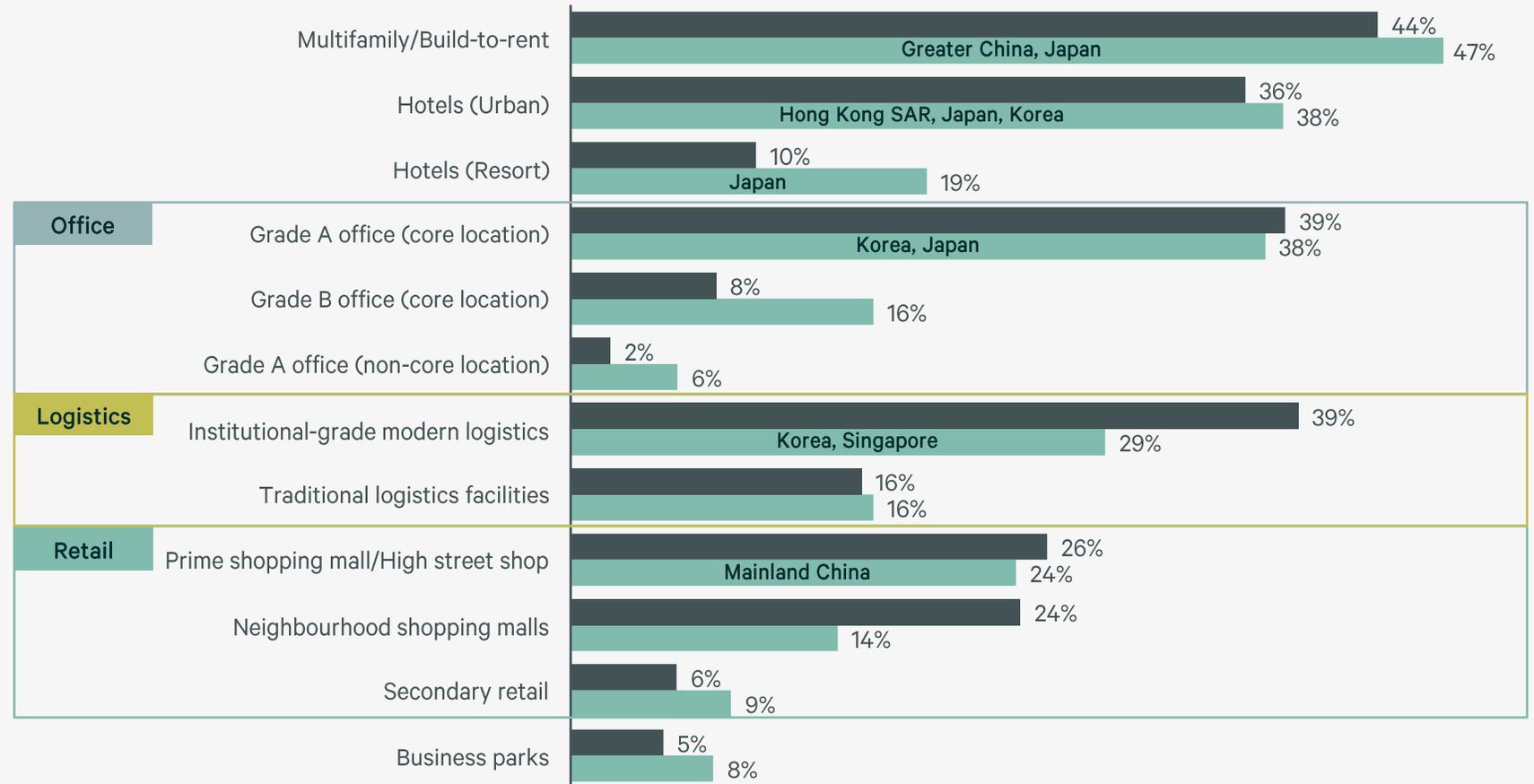
Source: CBRE Research, September 2025.

03

Investment demand by sector:
Living and data centres attract
most interest

Multifamily, hotels and offices most popular; interest in logistics falls

Figure 8: In terms of number of enquiries, which major sectors below are your clients most interested in at present?

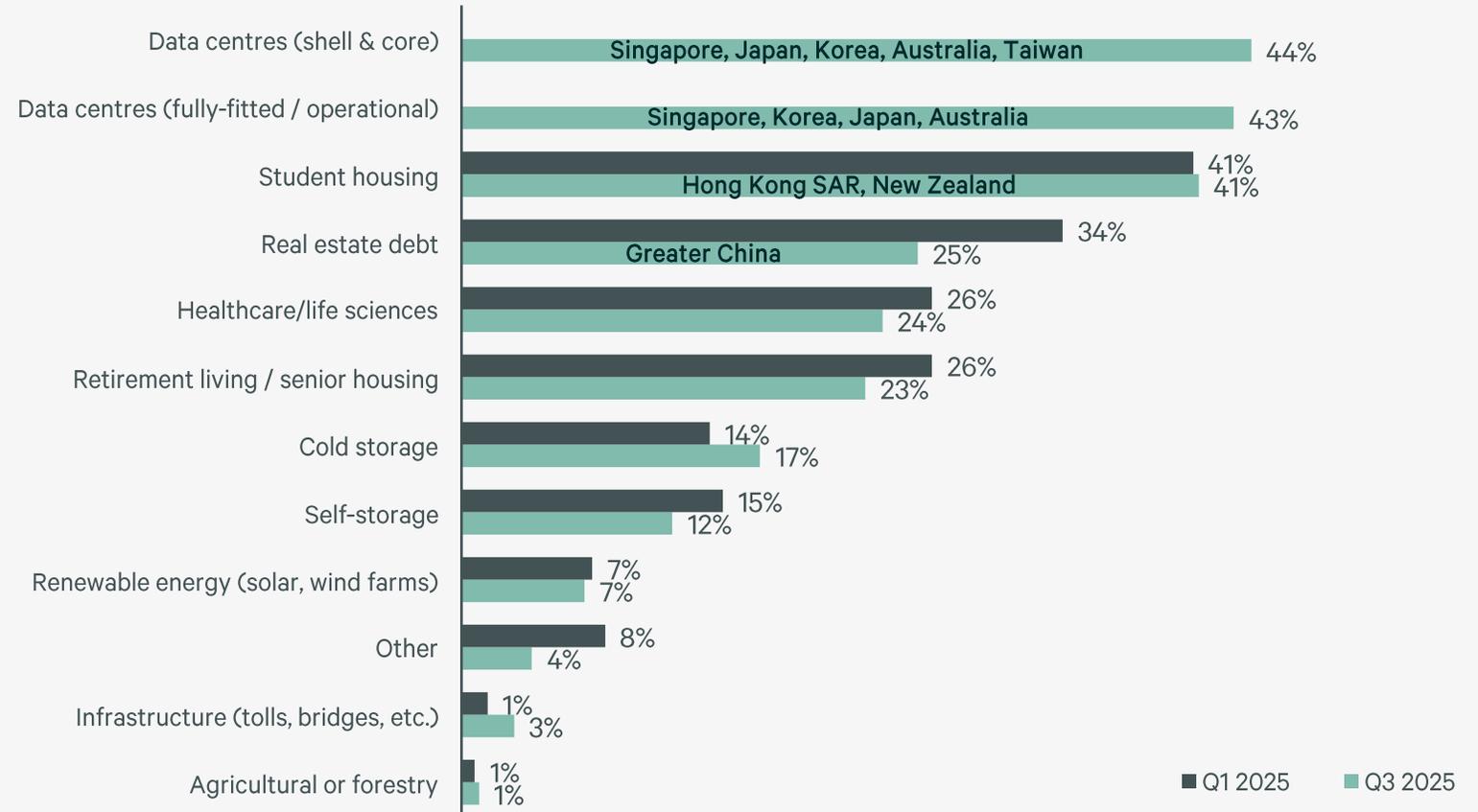


Note: Respondents could select up to three options.
Source: CBRE Research, September 2025.

■ Q1 2025 ■ Q3 2025

Data centres and student housing remain most attractive alternative sectors

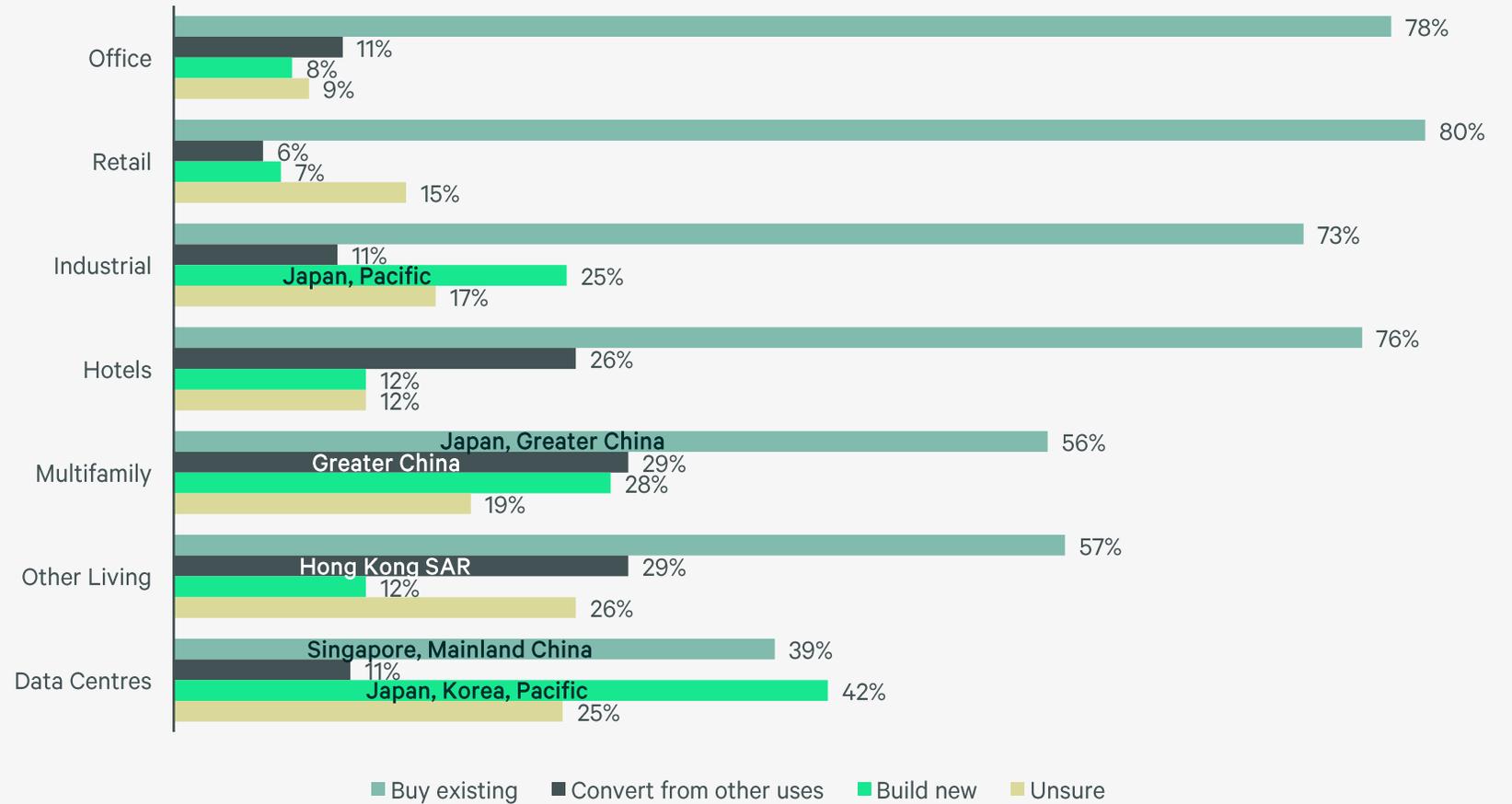
Figure 9: In terms of the number of enquiries, which alternative sectors are your clients most interested in at present?



Note: Respondents could select up to three options.
 Source: CBRE Research, September 2025.

Investors prefer to buy instead of build in core sectors

Figure 10: For each sector below, do your clients prefer to buy, to convert, or to build in your market?



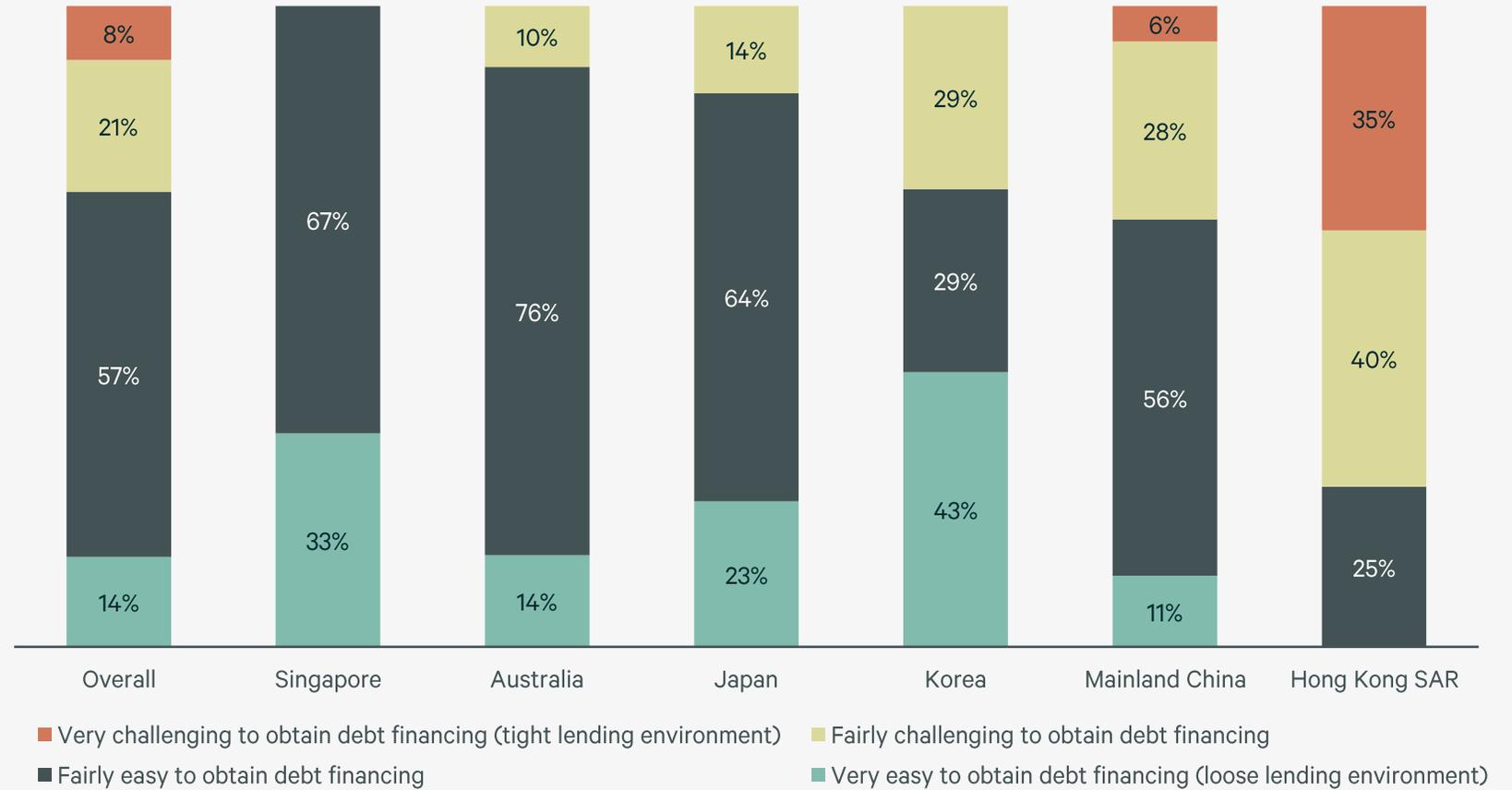
Note: Respondents could select all that apply
 Source: CBRE Research, September 2025.

04

Lending environment generally
accommodative amid falling
interest rates

Lending environment most accommodative in Singapore and Australia

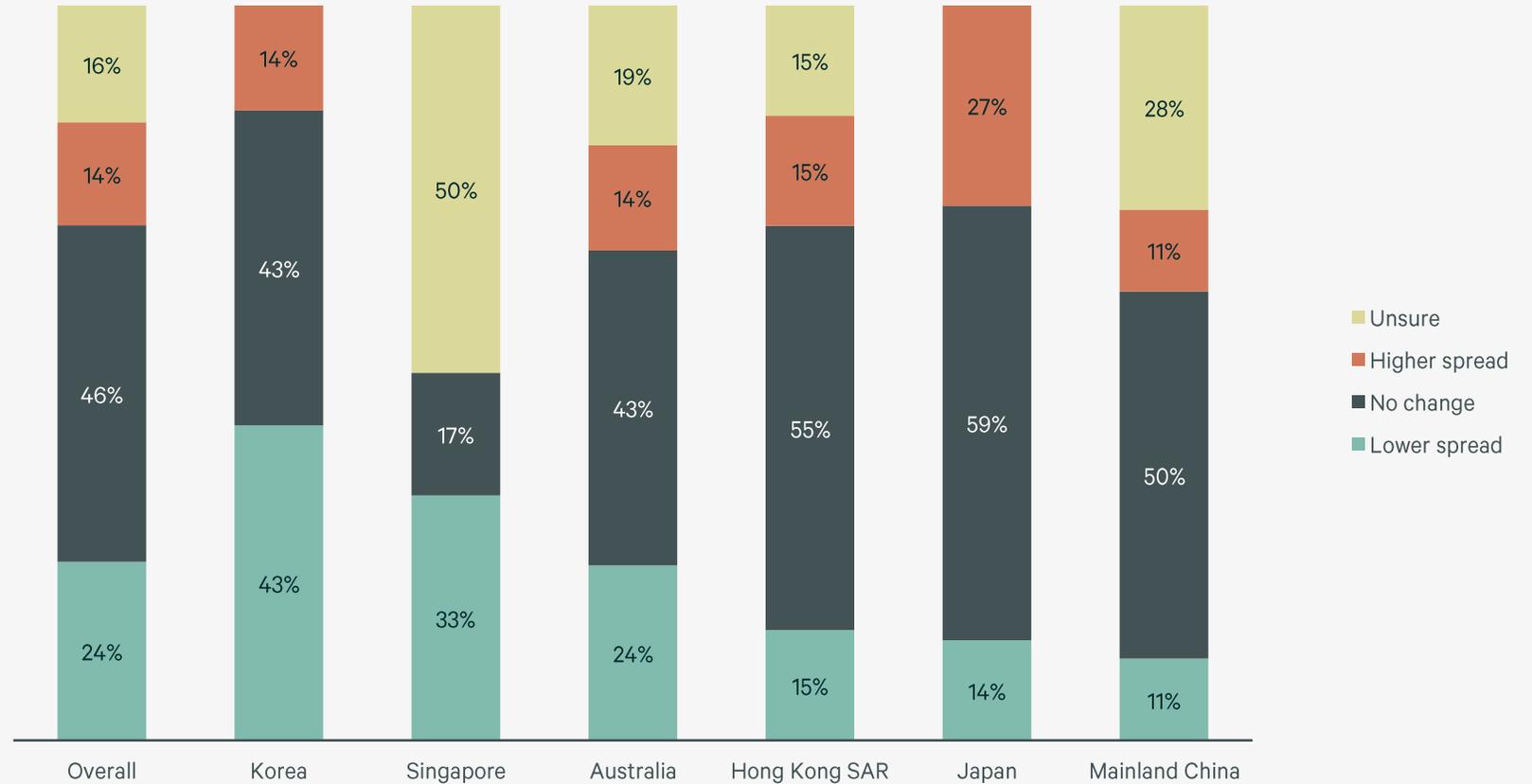
Figure 11: How would you characterise the debt & lending environment for completed, stabilised assets in your market?



Source: CBRE Research, September 2025.

Lower debt spreads most apparent in Korea and Singapore

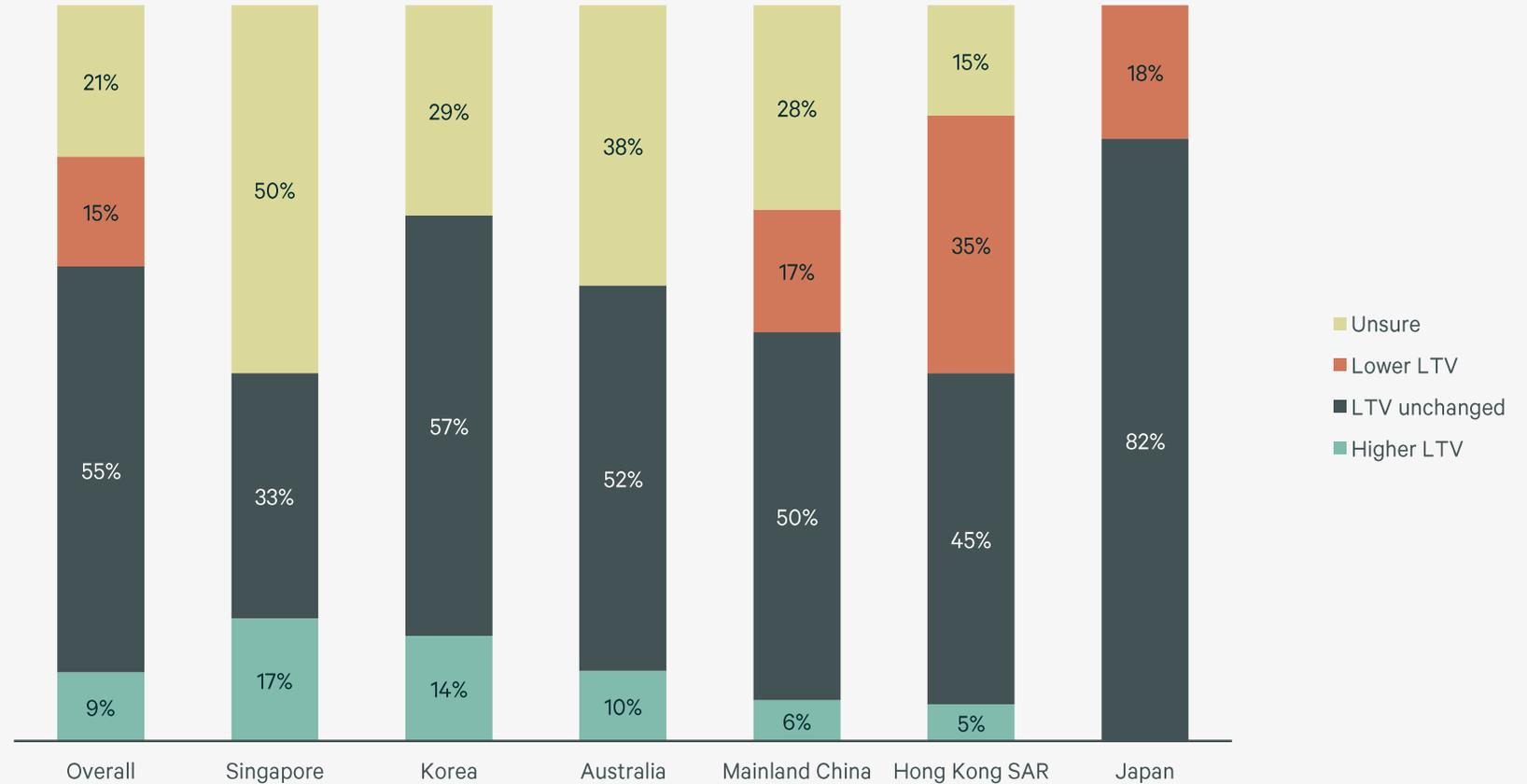
Figure 12: What changes are you seeing in the debt spread demanded by lenders compared to six months ago in your market?



Source: CBRE Research, September 2025.

Lower LTV ratios more prevalent in Greater China and Japan

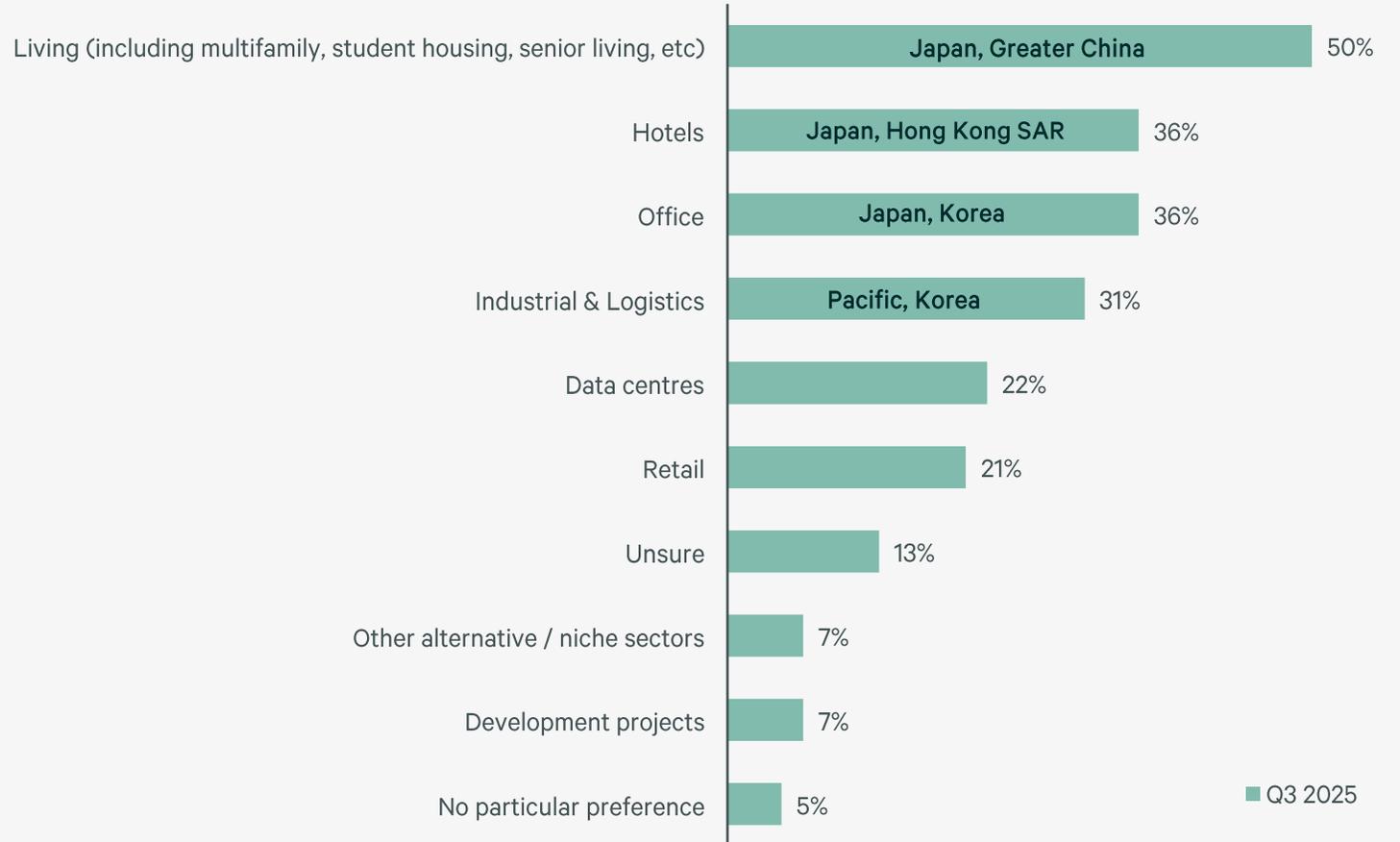
Figure 13: What changes are you seeing in the Loan-to-Value (LTV) ratios provided by lenders compared to six months ago in your market?



Source: CBRE Research, September 2025.

Living, hotel and office sectors most preferred by lenders

Figure 14: Which sectors do lenders in your market prefer to lend to at present?



Note: Respondents could select up to three options.
Source: CBRE Research, September 2025.

05

Summary tables of indicative cap rates

Summary table of indicative cap rates – Grade A Office

Country	City	Grade A Office					
		Core Locations			Decentralised		
		March 2025	September 2025	Six-month Outlook	March 2025	September 2025	Six-month Outlook
Australia	Sydney	5.55 – 6.60	5.55 – 6.60	▼	6.75 – 8.40	6.75 – 8.40	◀▶
	Melbourne	6.15 – 7.40	6.15 – 7.40	◀▶	7.15 – 8.75	7.15 – 8.75	◀▶
	Brisbane	6.50 – 8.25	6.25 – 8.00	◀▶	6.50 – 8.25	7.00 – 8.00	◀▶
	Perth	6.65 – 8.15	6.75 – 8.25	▲	7.40 – 8.50	7.50 – 8.50	◀▶
New Zealand	Auckland	6.25 – 8.00	6.25 – 7.75	◀▶	7.00 – 8.50	6.90 – 8.25	◀▶
	Wellington	6.25 – 8.00	6.15 – 8.00	◀▶	7.00 – 8.75	7.15 – 8.75	◀▶
Greater China	Beijing	4.75 – 6.25	4.60 – 6.25	▲	5.50 – 6.50	5.50 – 6.75	▲
	Shanghai	4.75 – 6.25	5.00 – 6.00	▲	5.50 – 6.50	5.50 – 6.50	▲
	Guangzhou	5.00 – 6.50	5.00 – 5.80	▲	5.50 – 6.50	5.00 – 6.10	▲
	Shenzhen	4.75 – 6.50	4.75 – 6.50	▲	5.50 – 6.50	5.50 – 6.50	▲
	Hong Kong SAR	3.00 – 4.50	3.00 – 4.50	◀▶	3.50 – 5.15	3.75 – 5.40	◀▶
	Taipei	2.25 – 2.70	2.25 – 2.70	◀▶	2.45 – 3.00	2.45 – 3.00	◀▶
Japan	Tokyo	2.50 – 3.50	2.50 – 3.50	◀▶	3.25 – 4.25	3.25 – 4.25	◀▶
	Osaka	2.70 – 3.70	2.70 – 3.70	◀▶	3.50 – 4.50	3.50 – 4.50	◀▶
Korea	Seoul	3.75 – 4.75	3.75 – 4.75	◀▶	4.25 – 5.25	4.25 – 5.25	◀▶
Singapore	Singapore	3.30 – 4.00	3.25 – 3.90	◀▶	3.75 – 4.20	3.75 – 4.35	◀▶
India	Gurgaon	7.55 – 8.35	7.50 – 8.00	◀▶	7.95 – 8.80	8.00 – 8.75	◀▶
	Mumbai	7.75 – 8.15	7.75 – 8.00	◀▶	7.90 – 8.60	8.00 – 8.50	◀▶
	Bangalore	7.50 – 8.65	7.50 – 8.50	◀▶	7.95 – 8.75	8.00 – 8.75	◀▶
Vietnam	Ho Chi Minh City		6.00 – 7.00	◀▶		7.50 – 8.50	◀▶

Source: CBRE Research, September 2025.

Summary table of indicative cap rates – Shopping Mall

Country	City	Shopping Mall					
		Core Locations			Neighbourhood		
		March 2025	September 2025	Six-month Outlook	March 2025	September 2025	Six-month Outlook
Australia	Sydney	5.50 – 6.75	5.00 – 6.50	▼	5.50 – 6.75	5.25 – 6.25	▼
	Melbourne	5.50 – 6.75	5.00 – 6.50	▼	5.50 – 6.75	5.25 – 6.25	▼
	Brisbane	5.75 – 7.50	5.50 – 7.25	▼	5.50 – 7.50	5.25 – 7.00	▼
	Perth	5.90 – 7.75	5.25 – 7.00	▼	5.75 – 7.75	5.75 – 7.00	▼
New Zealand	Auckland	6.65 – 8.00	6.45 – 7.80	▼	7.20 – 8.75	6.25 – 7.90	▼
	Christchurch		6.95 – 8.45	▼		6.65 – 8.15	▼
	Wellington	7.20 – 8.75	7.15 – 8.75	◀▶	7.45 – 9.25	7.15 – 8.70	▼
Greater China	Beijing	5.00 – 6.50	4.60 – 6.75	▲	5.00 – 6.50	4.60 – 6.75	▲
	Shanghai	5.00 – 6.50	6.00 – 7.00	▲	5.00 – 6.50	6.00 – 7.00	▲
	Guangzhou	5.00 – 6.75	5.00 – 6.75	▲	5.25 – 6.50	5.50 – 6.50	▲
	Shenzhen	5.00 – 6.75	5.00 – 6.75	▲	5.00 – 6.50	5.50 – 6.50	▲
	Hong Kong SAR	4.30 – 5.20	4.40 – 5.35	▲	5.30 – 6.70	5.40 – 6.85	▲
	Taipei	2.95 – 3.65	3.10 – 3.80	▲	3.20 – 3.95	3.40 – 4.10	▲
Japan	Tokyo	2.70 – 3.70	2.70 – 3.70	◀▶	3.90 – 4.50	3.90 – 4.50	◀▶
	Osaka	3.00 – 4.00	3.00 – 4.00	◀▶	4.20 – 5.20	4.20 – 5.20	◀▶
Korea	Seoul	5.00 – 5.50	5.00 – 5.50	▲	5.75 – 8.00	5.75 – 8.00	▲
Singapore	Singapore	4.40 – 5.05	4.35 – 5.05	◀▶	4.50 – 5.05	4.40 – 5.00	◀▶
India	Gurgaon	7.05 – 7.80	7.05 – 7.75	◀▶	7.35 – 8.15	7.35 – 8.00	◀▶
	Mumbai	6.95 – 7.70	7.00 – 7.75	◀▶	7.20 – 8.10	7.20 – 8.00	◀▶
	Bangalore	7.00 – 7.75	7.00 – 7.70	◀▶	7.40 – 8.30	7.40 – 8.30	◀▶
Vietnam	Ho Chi Minh City		6.50 – 7.50	◀▶		7.50 – 9.00	◀▶

Source: CBRE Research, September 2025.

Summary table of indicative cap rates – Logistics

Country	City	Logistics					
		Institutional Grade Logistics (Citywide)			Traditional Logistics Facilities (Citywide)		
		March 2025	September 2025	Six-month Outlook	March 2025	September 2025	Six-month Outlook
Australia	Sydney	5.15 – 5.90	5.00 – 5.50	▼	5.50 – 6.25	5.25 – 6.00	▼
	Melbourne	5.55 – 6.20	5.50 – 6.00	◀▶	6.15 – 6.90	5.75 – 6.50	◀▶
	Brisbane	5.60 – 6.10	5.50 – 6.00	◀▶	6.25 – 6.75	6.00 – 6.50	◀▶
	Perth	6.00 – 6.50	5.75 – 6.25	▼	6.50 – 7.65	6.25 – 7.25	▼
New Zealand	Auckland	5.15 – 5.75	5.10 – 5.65	▼	5.75 – 7.50	5.75 – 7.15	▼
	Christchurch		5.75 – 6.25	▼		6.50 – 7.50	▼
Greater China	Beijing	5.00 – 6.00	5.50 – 6.00	◀▶	5.50 – 7.00	6.50 – 7.00	◀▶
	Shanghai	5.00 – 6.00	5.50 – 6.00	◀▶	5.50 – 7.00	6.50 – 7.00	◀▶
	Guangzhou	5.00 – 6.00	5.50 – 6.00	▲	5.25 – 6.50	6.50 – 7.00	▲
	Shenzhen	5.00 – 6.00	5.00 – 5.50	◀▶	5.25 – 6.50	6.00 – 6.50	◀▶
	Hong Kong SAR	4.45 – 5.40	4.75 – 5.50	▲	4.80 – 5.75	5.00 – 5.75	▲
	Taipei	3.05 – 3.35	3.10 – 3.40	◀▶	3.50 – 3.85	3.50 – 4.00	◀▶
Japan	Tokyo	3.10 – 3.75	3.45 – 4.15	◀▶	3.60 – 4.60	4.05 – 5.05	◀▶
	Osaka	3.50 – 4.10	3.60 – 4.15	◀▶	4.05 – 5.10	4.15 – 5.15	◀▶
Korea	Seoul	4.75 – 5.50	4.75 – 5.50	▼	5.00 – 5.90	5.00 – 5.90	▼
Singapore	Singapore	5.75 – 7.15	5.50 – 6.50	◀▶	6.45 – 7.65	6.25 – 7.10	◀▶
India	Gurgaon	7.05 – 7.85	7.05 – 7.75	▼	7.90 – 8.70	7.90 – 8.50	▼
	Mumbai	6.95 – 7.80	7.00 – 7.75	▼	7.85 – 8.80	7.85 – 8.50	▼
	Bangalore	7.00 – 7.80	7.00 – 7.75	▼	7.85 – 8.70	7.85 – 8.50	▼
Vietnam	Ho Chi Minh City		6.00 – 7.00	◀▶			◀▶

Source: CBRE Research, September 2025.

Summary table of indicative cap rates – Hotel

Country	City	Hotel (Urban)		
		March 2025	September 2025	Six-month Outlook
Australia	Sydney	5.75 – 6.50	5.50 – 6.25	▼
	Melbourne	6.50 – 7.50	6.15 – 7.00	◀▶
	Brisbane	6.25 – 7.25	5.75 – 7.00	▼
	Perth	6.75 – 7.90	6.75 – 7.90	◀▶
New Zealand	Auckland	6.25 – 8.00	6.25 – 8.00	◀▶
	Wellington	6.90 – 8.15	6.90 – 8.15	◀▶
Greater China	Beijing	5.00 – 6.50	5.00 – 6.50	◀▶
	Shanghai	5.00 – 6.50	5.00 – 6.50	◀▶
	Guangzhou	5.00 – 6.50	5.00 – 6.50	◀▶
	Shenzhen	5.00 – 6.50	5.00 – 6.50	◀▶
	Hong Kong SAR	4.90 – 6.10	4.50 – 5.75	◀▶
Japan	Tokyo	3.10 – 3.90	3.05 – 3.80	◀▶
	Osaka	3.50 – 4.30	3.50 – 4.30	◀▶
Korea	Seoul	5.00 – 5.50	4.75 – 5.50	◀▶
Singapore	Singapore	3.65 – 4.40	3.60 – 4.20	◀▶
Thailand	Bangkok	6.00 – 7.15	5.00 – 6.50	◀▶
India	Gurgaon	7.15 – 7.75	7.15 – 7.50	◀▶
	Mumbai	7.15 – 7.50	7.15 – 7.50	◀▶
	Bangalore	7.15 – 7.75	7.15 – 7.50	◀▶
Vietnam	Hanoi	7.00 – 9.00	7.00 – 9.00	◀▶
	Ho Chi Minh City	7.00 – 9.00	7.00 – 9.00	◀▶

Source: CBRE Research, September 2025.

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

Country	City	Multifamily/Build-to-Rent		
		March 2025	September 2025	Six-month Outlook
Australia	Sydney	4.15 – 4.50	4.15 – 4.50	◀▶
	Melbourne	4.25 – 4.50	4.25 – 4.50	◀▶
	Brisbane	4.40 – 4.75	4.40 – 4.75	◀▶
Greater China	Beijing	4.75 – 6.50	4.75 – 6.50	◀▶
	Shanghai	4.75 – 6.50	4.75 – 6.50	◀▶
	Hong Kong SAR	4.25 – 5.40	3.90 – 5.00	▼
Japan	Tokyo	2.60 – 3.80	2.50 – 3.80	◀▶
	Osaka	3.00 – 4.20	3.00 – 4.20	◀▶
Korea	Seoul	4.50 – 5.50	4.50 – 5.50	▲
Singapore	Singapore	3.65 – 4.15	3.65 – 4.15	◀▶

Source: CBRE Research, September 2025.

Summary table of indicative cap rates – Student Housing

Country	City	Student Housing		
		March 2025	September 2025	Six-month Outlook
Australia	Sydney		4.75 – 5.00	◀▶
	Melbourne		5.00 – 5.25	◀▶
	Brisbane		5.25 – 5.50	◀▶
Greater China	Hong Kong SAR		4.50 – 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 2025.

Summary table of indicative cap rates – Data Centre

Country	City	Data Centre					
		Hyperscale data centres (shell & core)			Hyperscale data centres (fully-fitted / operational)		
		March 2025	September 2025	Six-month Outlook	March 2025	September 2025	Six-month Outlook
Australia	Sydney		5.00 – 5.75	◀▶		5.50 – 6.25	◀▶
	Melbourne		5.15 – 5.90	◀▶		5.65 – 6.40	◀▶
Greater China	Beijing		6.00 – 6.75	◀▶		6.50 – 7.50	◀▶
	Shanghai		6.00 – 6.75	◀▶		6.50 – 7.50	◀▶
	Hong Kong SAR		4.50 – 5.50	◀▶		5.00 – 6.50	◀▶
Japan	Tokyo		3.30 – 3.60	◀▶		3.90 – 4.25	◀▶
	Osaka		3.30 – 3.60	◀▶		3.90 – 4.25	◀▶
Korea	Seoul		5.25 – 5.50	◀▶		5.50 – 6.50	◀▶
Singapore	Singapore		5.25 – 6.00	◀▶		5.75 – 6.50	◀▶

Source: CBRE Research, September 2025.

Definitions

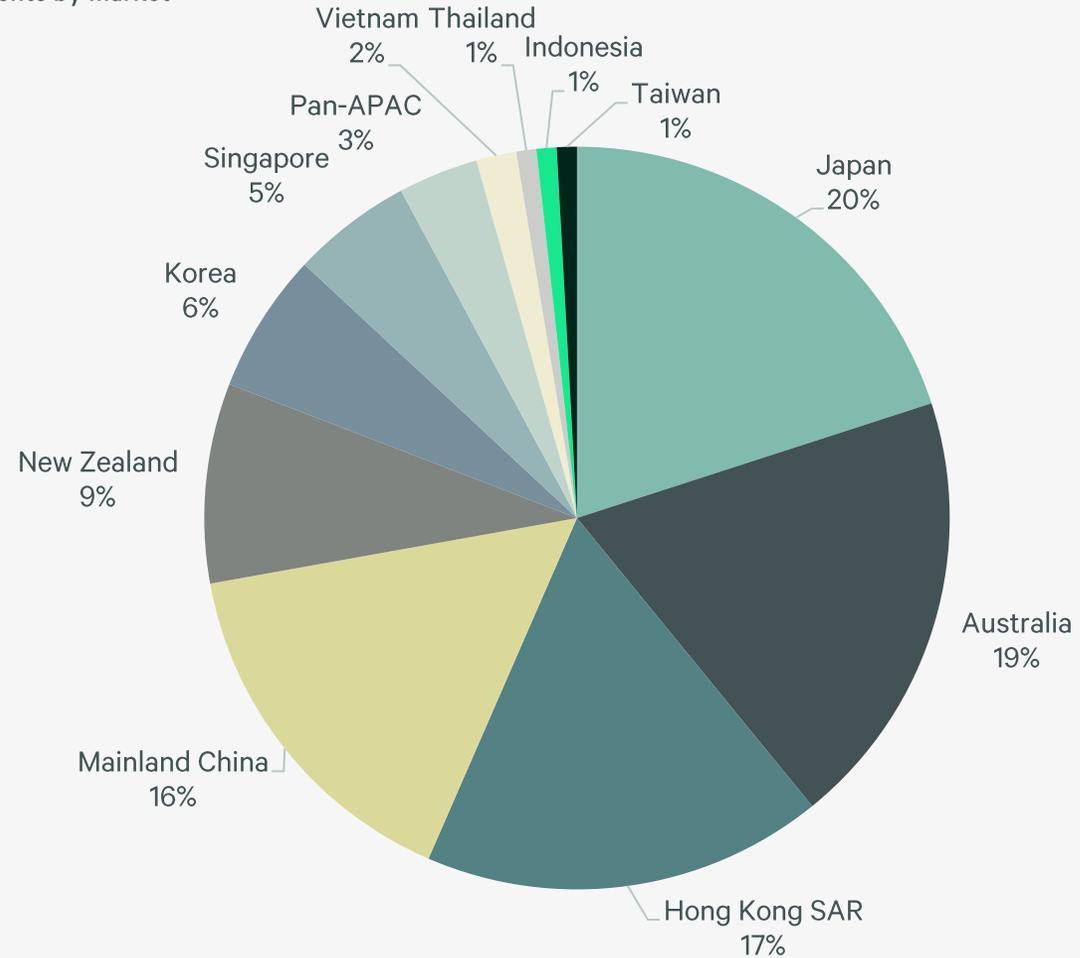
- Cap rate ranges are best estimates provided by CBRE professionals based on recent trades in their respective markets, as well as communications with investors. The ranges represent the cap rates at which a given asset is likely to trade in the current market. Cap rates within each subtype will vary, 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 Q3 2025 Asia Pacific Cap Rate Survey was conducted from September 12th to September 30th, 2025.

A total of 109 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 2025.

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