



WINTER 2024

RESEARCH

# Winter 2024 Survey of Independent Forecasts for UK Commercial Property Investment



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COMMISSIONED BY THE IPF RESEARCH PROGRAMME

## UK Consensus Forecasts

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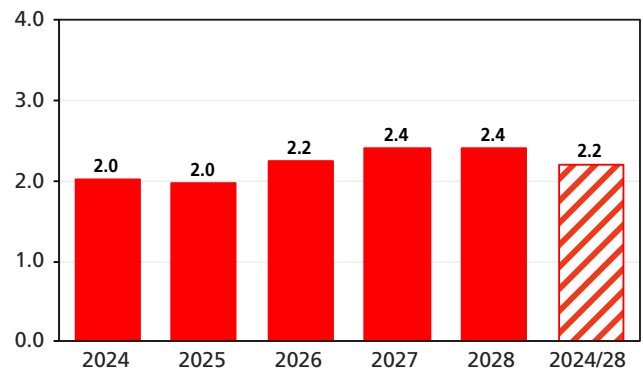
## At a Glance – Winter 2024

The results of the first quarterly survey of the year are based on data received from 18 organisations, whose forecasts were generated between the start of December 2023 and end-February 2024.

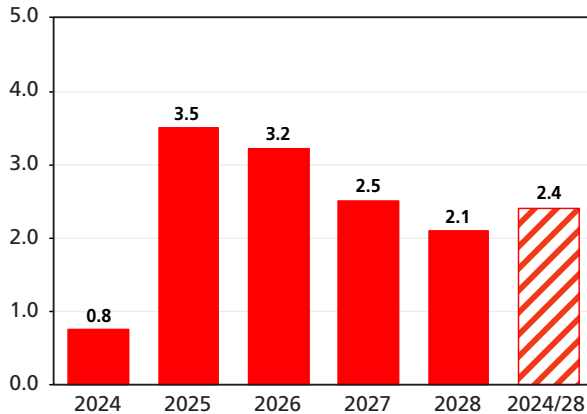
### Rental value growth

There has been a boost in the four yearly averages reported in both November and this quarter of between 30bps and 40bps. There is now little variation in the growth numbers across the five-year forecast period.

The five-year average of 2.2% pa is in line with the previous forecast of 2.1% pa. The removal of the robust 2022 forecast of 3.4% has been compensated by the stronger 2024-2027 forecast figures.



### Capital value growth



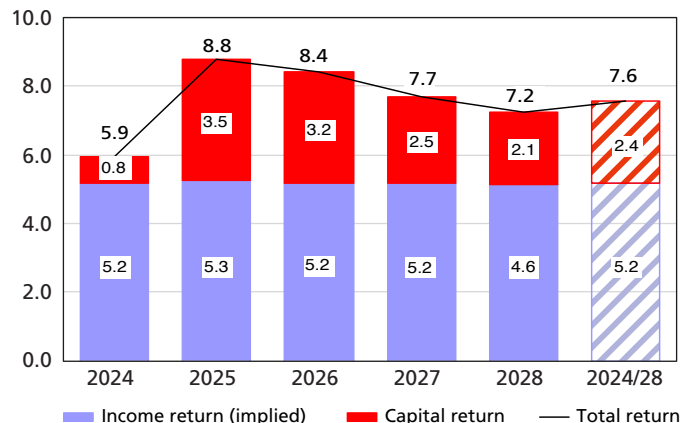
There has been an uplift in the 2024 forecast to 0.8%, compared to 0.1% from the previous quarter. The projections for 2025 and 2026 have also been increased, albeit more marginally to 3.5% and 3.2% respectively, while the 2027 forecast is in line with the previous survey.

The substitution of November's weak 2023 forecast of -5.0% with the current 2028 projection of 2.1% has enhanced the five-year annualised forecast by 170bps, up from 0.7% pa previously.

### Total returns

The improving capital value growth picture has benefitted total return forecasts over the next four years, compared with the last survey. The most significant improvement is in the 2024 forecast, which has risen from 5.0% to 5.9%. The subsequent three years have also strengthened, although more modestly by between 20bps and 40bps. The 2025 forecast now stands at a healthy 8.8%, while the 2026 projection is marginally lower at 8.4%.

The addition of the much more robust 2028 return of 7.2%, at the expense of the 2023 return of -0.4%, has resulted in a 200bps improvement in the five-year average to 7.6% pa, from 5.6% pa previously.



### Summary Average by Sector

	Rental value growth (%)				Capital value growth (%)				Total return (%)			
	2024	2025	2026	2024/28	2024	2025	2026	2024/28	2024	2025	2026	2024/28
Office	0.7	1.1	1.9	1.7	-2.6	2.0	2.5	1.2	2.5	7.2	7.6	6.3
Industrial	3.8	3.3	3.2	3.2	3.6	5.4	4.6	3.9	8.2	10.0	9.1	8.4
Standard Retail	0.6	1.1	1.4	1.2	-0.3	2.9	2.5	1.8	4.8	8.0	7.6	6.8
Shopping Centre	-0.5	0.2	0.9	0.6	-1.5	0.8	0.6	0.0	5.7	8.0	7.7	7.1
Retail Warehouse	0.9	1.5	1.7	1.5	0.3	3.2	2.4	1.8	6.7	9.6	8.7	8.1
West End Office	1.9	2.2	2.6	2.5	-0.4	4.1	4.1	2.8	3.8	8.5	8.4	7.0
City Office	0.5	0.9	2.0	1.7	-2.9	2.2	2.9	1.3	1.8	7.0	7.7	6.1
<b>All Property</b>	<b>2.0</b>	<b>2.0</b>	<b>2.2</b>	<b>2.2</b>	<b>0.8</b>	<b>3.5</b>	<b>3.2</b>	<b>2.4</b>	<b>5.9</b>	<b>8.8</b>	<b>8.4</b>	<b>7.6</b>

### All Property Average by Forecast Month

Month of forecast (no. contributors)	Rental value growth (%)				Capital value growth (%)				Total return (%)			
	2024	2025	2026	2024/28	2024	2025	2026	2024/28	2024	2025	2026	2024/28
December (3)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
January (3)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
February (13)	2.0	2.0	2.4	2.3	1.0	3.6	3.3	2.5	6.0	8.7	8.4	7.6
<b>All Forecasters (18)</b>	<b>2.0</b>	<b>2.0</b>	<b>2.2</b>	<b>2.2</b>	<b>0.8</b>	<b>3.5</b>	<b>3.2</b>	<b>2.4</b>	<b>5.9</b>	<b>8.8</b>	<b>8.4</b>	<b>7.6</b>

Note: A minimum of five forecasts are required for each period to be separately analysed.

### Key points

- The Industrial sector demonstrates robust rental growth over the forecast period, with a five-year forecast of 3.2% pa. The West End office rental growth is the only other reported sector expected to outperform the All Property five-year average of 2.2% pa. Shopping Centres are forecast to experience the weakest rental growth of only 0.6% pa, with rental decline in 2024.
- With the exception of Industrial and Retail Warehouses, all other sectors are expected to experience capital value decline in 2024. Positive growth will return to all sectors in 2025. Over the next five years, Industrial (3.9% pa) will be the top performer, ahead of West End Offices (2.8% pa). Shopping Centre capital values are not expected to demonstrate any growth at the end of the five-year forecast period.
- There is a significant divergence in 2024 total return forecasts between the sectors. Industrial is expected to outperform, with a return of 8.2%, while City Offices are forecast to trail the rest of the market with a return of just 1.8%.
- Over the five-year time period, Industrial is the top performer, with a return of 8.4% pa, ahead of the Retail Warehouse sector at 8.1% pa. City Offices lag the other markets with an annualised return forecast of 6.1% pa.

### Survey contributors

Eighteen organisations contributed to this quarter's forecasts, comprising eight Property Advisors and Research Consultancies, eight Fund Managers and two Other<sup>1</sup>.

Forecasts for All Property, Office, Industrial and Standard Retail were received from 18 contributors. There were 17 contributors to Shopping Centre and Retail Warehouse forecasts and 16 full sets of forecasts for West End and City sub-office markets. All forecasts were generated within 12 weeks of the survey date (23 February 2024). Named contributors appear on the final page of this report.

### Rolling five-year averages

The All Property annualised five-year forecasts (2024-2028) for capital value growth and total return are significantly higher than last quarter (Autumn's results (2023-2027) in brackets); rental value growth is in line:

**Rental value growth: 2.2% pa (2.1% pa)**

**Capital value growth: 2.4% pa (0.7% pa)**

**Total return: 7.6% pa (5.6% pa)**

<sup>1</sup> As a minimum of five forecasts are required for each group of contributors to be separately analysed, data from Other contributors is only included at the All-Forecaster level of reportage.

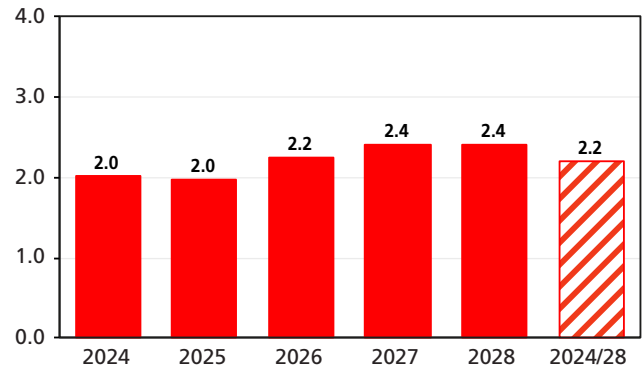


## Rental Value Growth Forecasts

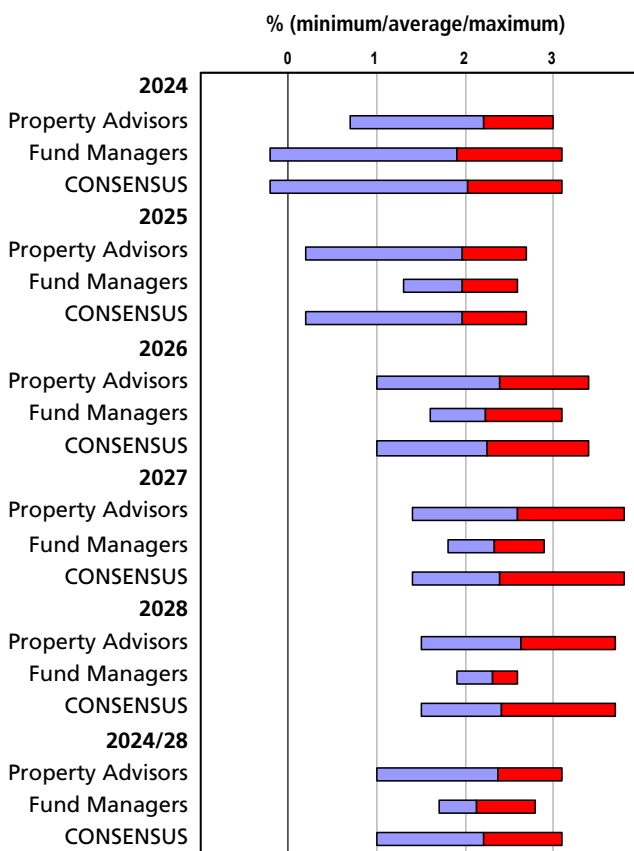
### All Property rental value growth forecasts

There has been a boost in the four yearly averages reported in both November and this quarter of between 30bps and 40bps. There is now little variation in the growth numbers across the five-year forecast period.

The five-year average of 2.2% pa is in line with the previous forecast of 2.1% pa. The removal of the robust 2022 forecast of 3.4% has been compensated by the stronger 2024-20 27 forecast figures.



### Rental value growth forecasts by contributor



The adjacent chart shows the All Property rental growth forecasts split by contributor type. Eight Property Advisors and eight Fund Managers contributed data. There were only two Other contributors so their forecasts are only incorporated into the Consensus forecasts and cannot be shown separately.

As with the previous set of forecasts, there is little variation between the rental growth forecasts of Fund Managers and Property Advisors across all years, with the greatest divergence being 30bps in 2025, 2027 and 2028.

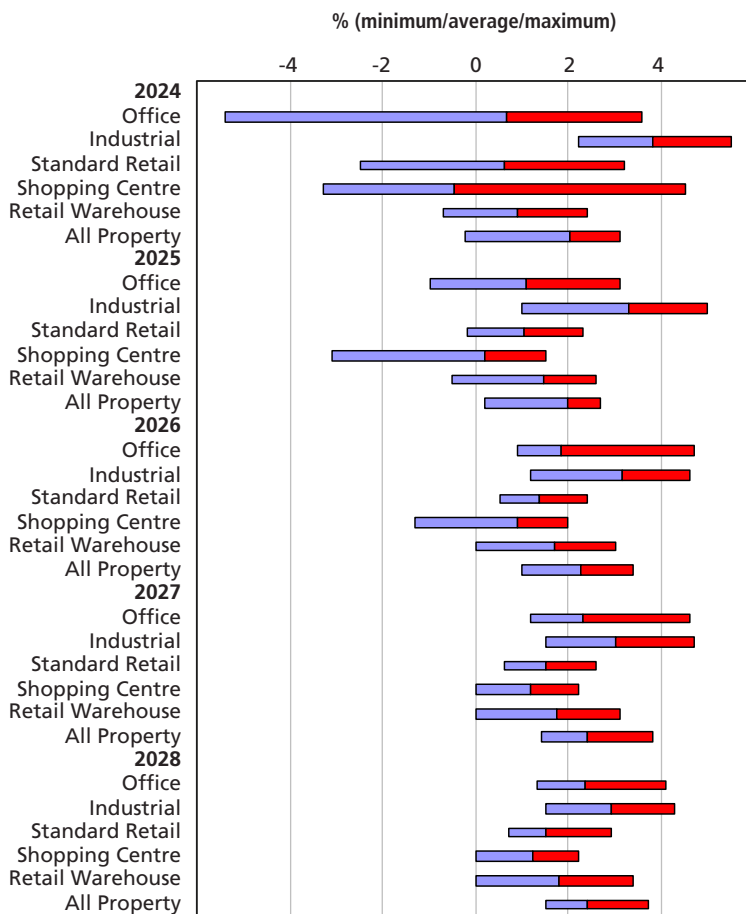
In all years, with the exception of 2025, Property Advisor forecasts outperform Fund Manager expectations. In 2025, both cohorts predict rental growth of 2.0%.

Over the annualised five-year period, the average growth forecast for Property Advisors is marginally higher than that for Fund Managers, at 2.4% pa compared to 2.1% pa.

N.B. Two 'Other' contributor returned data in addition to those of eight Property Advisors and eight Fund Managers.

## Rental Value Growth Forecasts

### Sector rental value growth annual forecasts



The 2024 rental growth forecasts have improved across all sectors, compared to the previous quarter. Industrial is the clear top performer, with forecast growth of 3.8%. All other sectors are expected to underperform the All Property average of 2.0%. There is generally more certainty around results in this quarter, with the exception of Shopping Centres. This market is the only sector forecast to experience rental decline, with an estimate of -0.5%.

It is a similar picture for 2025, with Industrial again the obvious outperformer with a growth projection of 3.3%, compared to 2.7% in the last quarter. Retail Warehouses are next in line with rental growth of 1.5%. Shopping Centre rents are finally expected to achieve growth again in this year, albeit by only 0.2% but this is a boost of 70bps from the previous forecast.

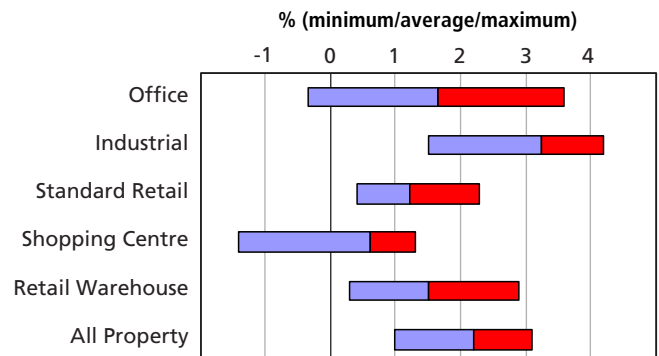
Forecasts across all sectors have strengthened for 2026 and 2027, with Shopping Centres and Offices benefitting most from the more positive outlook. Industrial will continue to be the lead performer, while Shopping Centre growth figures will remain below the other sectors.

There is generally more certainty around the forecasts this quarter, reflected in the smaller range of results.

### Sector rental value growth five-year average forecasts

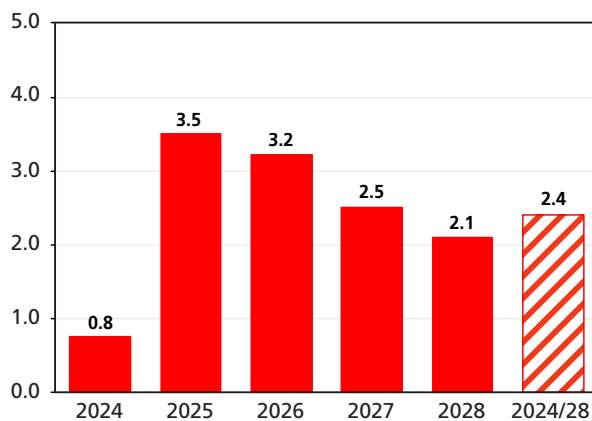
The All Property rolling five-year average, at 2.2% pa, is almost in line with the previous forecast of 2.1% pa. All sectors have improved, with the exception of Industrial although this is solely as a result of replacing the strong 2023 forecast of 6.2% with a more modest 2028 projection of 2.9%.

Only the Industrial sector is expected to achieve significant rental growth over the next five years, averaging 3.2% pa, while at the other end of the spectrum, Shopping Centre rents are expected to grow by only 0.6% pa.



## Capital Value Growth Forecasts

### All Property average capital value growth forecasts



There has been an uplift in the 2024 forecast to 0.8%, compared to 0.1% from the previous quarter. The projections for 2025 and 2026 have also been increased, albeit more marginally to 3.5% and 3.2% respectively, while the 2027 forecast is in line with the previous survey.

The substitution of November's weak 2023 forecast of -5.0% with the current 2028 projection of 2.1% has enhanced the five-year annualised forecast by 170bps, up from 0.7% pa previously.

### Capital value growth forecasts by contributor

For 2024, there is a significant dichotomy in the views of the two contributor cohorts. Property Advisors have significantly strengthened their view of capital value growth from 0.3% to 2.2%. By contrast, the Fund Managers forecast of 0.2% is only a marginal improvement on the previous figure of -0.1%.

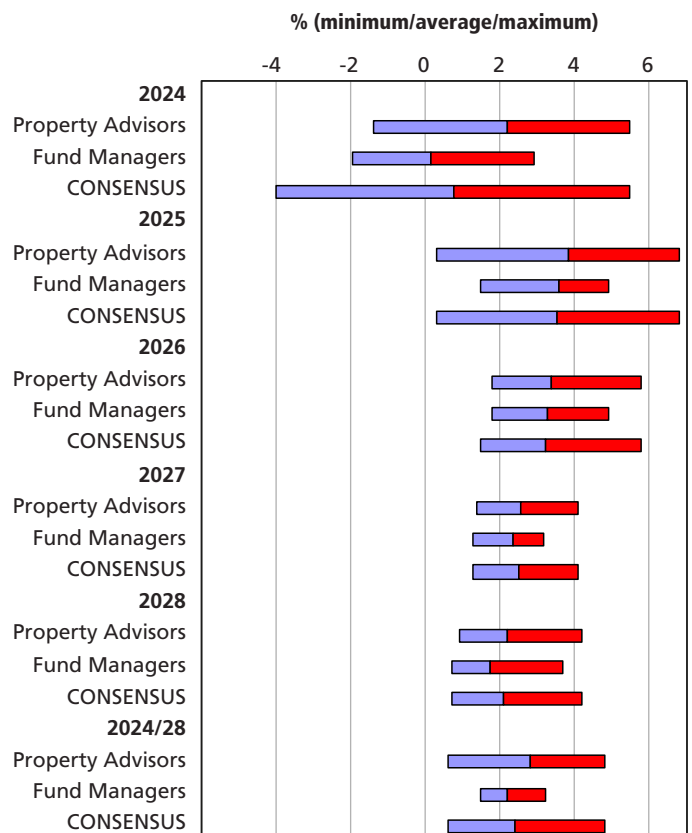
Across subsequent years, Property Advisors continue to be the more optimistic of the two contributor types. The 2025 forecast has been boosted by 130bps to 3.8% and the 2026 by 70bps to 3.4%.

As with the 2024 projection, the Fund Managers forecasts have also been downgraded for the three ensuing years. The 2025 forecast of 3.6% has been downgraded by 80bps from 4.4%, while the 2026 forecast is 3.3%, a downwards revision of 60 bps. However, in these two years, the forecasts of the two contributor groups are more closely aligned compared with 2024.

Over five years, Property Advisors predict growth of 2.8% pa, while Fund Managers forecast growth of 2.2% pa.

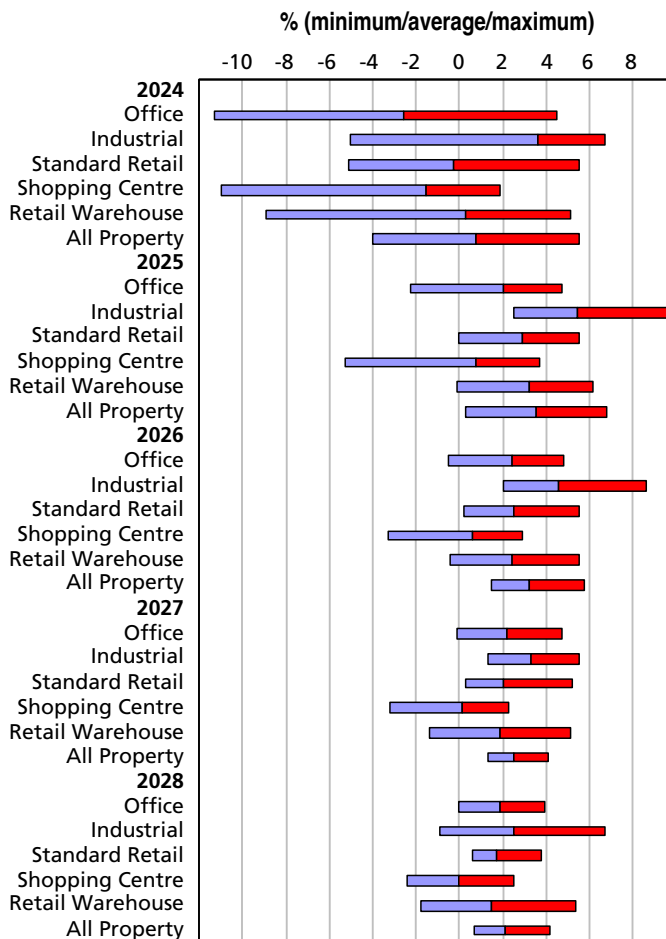
There is generally more certainty around this set of forecasts, compared to the last quarter.

N.B. Two 'Other' contributor returned data in addition to those of eight Property Advisors and eight Fund Managers.



## Capital Value Growth Forecasts

### Sector capital value growth annual forecasts



All sectors have experienced an improvement in 2024 forecasts, compared to the previous survey. The Industrial prediction has had the greatest boost, of 80bps, and remains the lead performer at 3.6%. Close behind are the Standard Retail and Shopping Centre forecasts, both with an increase of 70bps, although they are not expected to achieve any growth. Instead, capital values are projected to decline by 0.3% and 1.5% respectively. The Office sector is expected to achieve the lowest capital value growth forecast, with a decline of 2.6%.

In 2025, capital values growth numbers turn positive across all sectors. Industrial continues to be the lead performer, with growth of 5.4%, ahead of Retail Warehouses at 3.2%. Shopping Centres trail the other sectors with a forecast of just 0.8%.

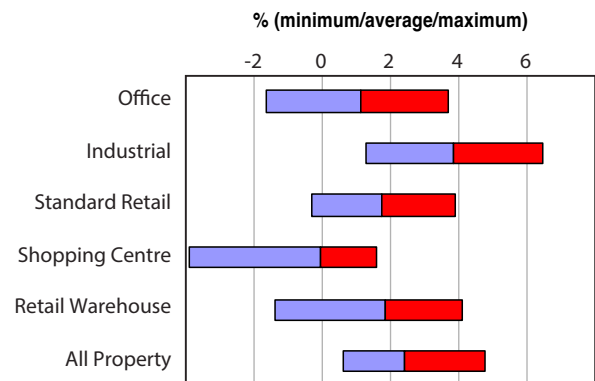
Industrial remains the top performer for the subsequent three years and is the only sector to outperform the All Property average over this period. Shopping Centres continue to lag the other markets in capital value terms.

There is more uncertainty about the 2024 forecasts, compared to the previous quarter, although, generally there is more assurance around the results for the ensuing years.

### Sector capital value growth five-year forecasts

Unsurprisingly, given the individual years' results, Industrial is the top performer over five years with expected growth of 3.9% pa, an improvement of 90bps compared with the previous survey. Shopping Centre capital values are expected to show no growth at the end of five years, although this estimate is an improvement of 120bps from the Autumn.

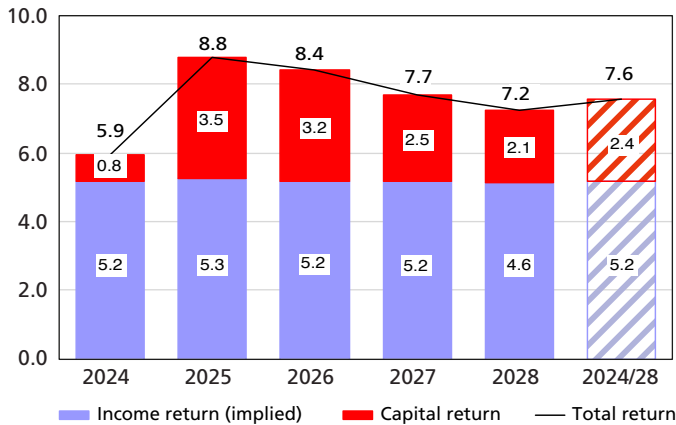
The Office five-year forecast now stands at 1.2% pa, demonstrating the greatest upgrade over the period, of 340bps.





## Total Return Forecasts

### All Property total return forecasts



The improving capital value growth picture has benefitted total return forecasts over the next four years, compared with the last survey. The most significant improvement is in the 2024 forecast, which has risen from 5.0% to 5.9%. The subsequent three years have also strengthened, although more modestly by between 20bps and 40bps. The 2025 forecast now stands at a healthy 8.8%, while the 2026 projection is marginally lower at 8.4%.

The addition of the much more robust 2028 return of 7.2%, at the expense of the 2023 return of -0.4%, has resulted in a 200bps improvement in the five-year average to 7.6% pa, from 5.6% pa previously.

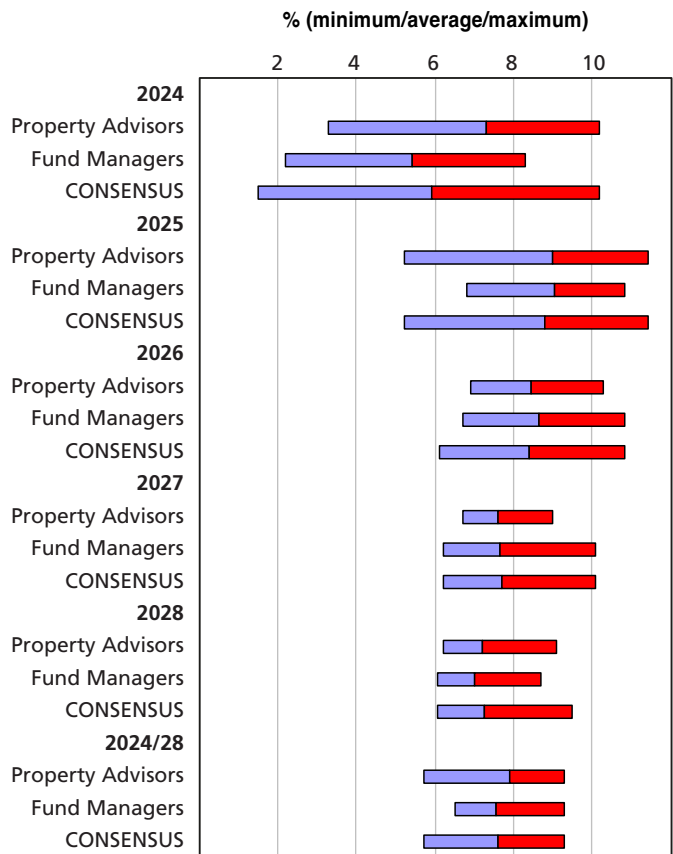
### Contributors All Property total return forecasts

Across all years, Property Advisors have upgraded their forecasts more significantly than Fund Managers. In 2024, their average forecast is 200bps higher, compared to the previous survey, standing at 7.3%. Fund Managers forecast a return of only 5.4% for the year, an upgrade of just 50bps.

In subsequent years, the expectations of the two contributor groups are much closer aligned. In 2025, both cohorts forecast a return of 9.0% while in 2026 and 2027 the Fund Manager forecasts are marginally ahead of those of the Property Advisors, at 8.6% (versus 8.5%) and 7.7% (versus 7.6%) respectively.

The five-year annualised return for Property Advisors, at 7.9% pa, is now above the Fund Managers forecast of 7.5% pa.

N.B. Two 'Other' contributor returned data in addition to those of eight Property Advisors and eight Fund Managers.



## Total Return Forecasts

### Sector total return annual forecasts



The 2024 Industrial return has been boosted by 90bps this quarter and, at 8.2%, remains the top sector-level forecast. In second place, the Retail Warehouse return has been upgraded more marginally to 6.7%. The Office sector remains the weakest performer with a return of just 2.5%, having been boosted by 40bps.

This ranking in performance is mirrored in 2025 and 2026, with Shopping Centres and Standard Retail sectors sitting below Retail Warehouses but above Offices. Industrial and Retail Warehouses are expected to return 10.0% and 9.6% respectively for 2025, while Offices are forecast to achieve 7.2%.

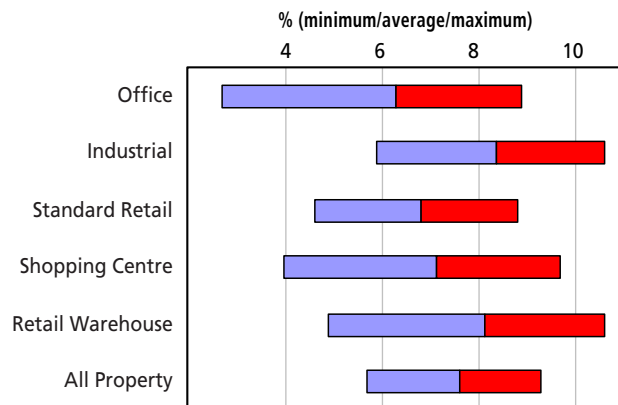
In the final two years of the forecast period, Retail Warehouses takes over the top performing position, while Standard Retail is expected to generate the lowest return. There is less variation in returns across all of the sectors in these two years.

There is less certainty around the 2024 results although the range of results has generally narrowed in the ensuing three years.

### Sector total return five-year forecasts

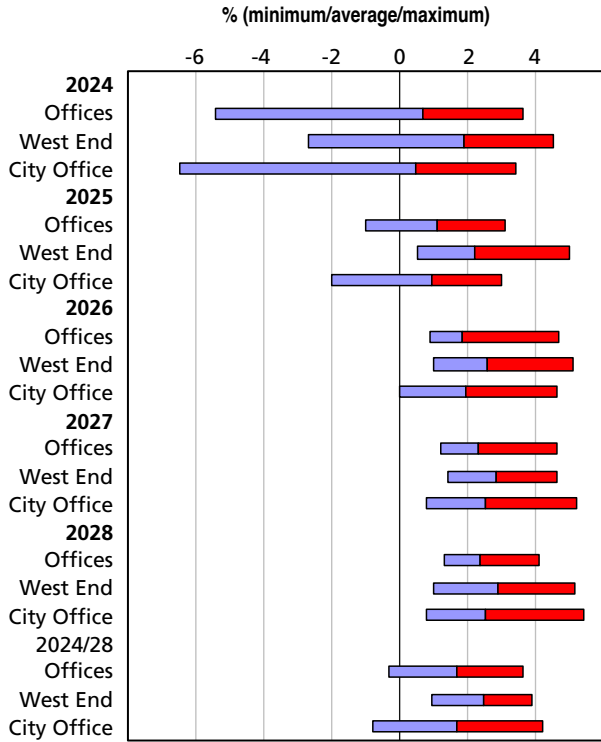
The All Property five-year return forecast, at 7.6% pa, is considerably higher than the previous quarter's figure of 5.6% pa, as the weak 2023 return has been replaced by the more robust 2028 return of 7.2%.

The Industrial return remains the strongest, having gained 90bps, and now stands at 8.4% pa, closely followed by the Retail Warehouse sector at 8.1% pa. The Office forecast has been significantly boosted (by over 350bps) but at 6.3% pa remains the weakest sector performer.



## Central London Offices

### Central London rental value growth



West End market rents are expected to grow faster than City rents across all the years in the forecast period. In 2024, West End rents are expected to rise by 1.9%, while City rents will increase by just 0.5%.

There is a similar disparity in growth rates in 2025 but, by 2026, the void between the rates of the two central London markets is forecast to close somewhat. West End is expected to grow by 2.6% and City by 2.0% in 2026 and the difference is smaller still in 2027.

Predictably, the five-year forecast for the West End is ahead of the City market, at 2.5% pa compared to 1.7% pa. West End outperforms the wider office market in all years, while the City market is more closely aligned.

Compared to the previous survey, there is greater certainty around both sets of London office forecasts.

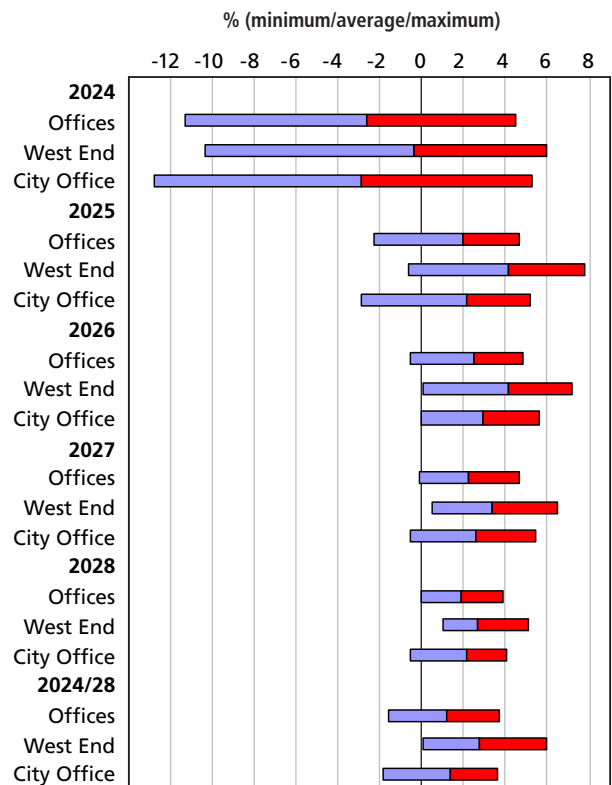
### Central London capital value growth

The 2024 capital value growth for both London markets has been upgraded from the Autumn survey. The West End figure has been increased from -1.2% to -0.4% and the City forecast from -3.2% to -2.9%.

Positive growth returns in 2025, with West End capital values expected to rise by a healthy 4.1% and City values by 2.2%. The West End will continue to outperform the City and wider office market by some margin in subsequent years.

The five-year average is 2.8% pa for West End and 1.3% pa for City. Both forecasts are ahead of the Office forecast of 1.2% pa, although only marginally in the case of the City market.

There is considerable uncertainty around the 2024 results, reflected in the considerable range of results. In subsequent years, there is much greater confidence in the forecasts.



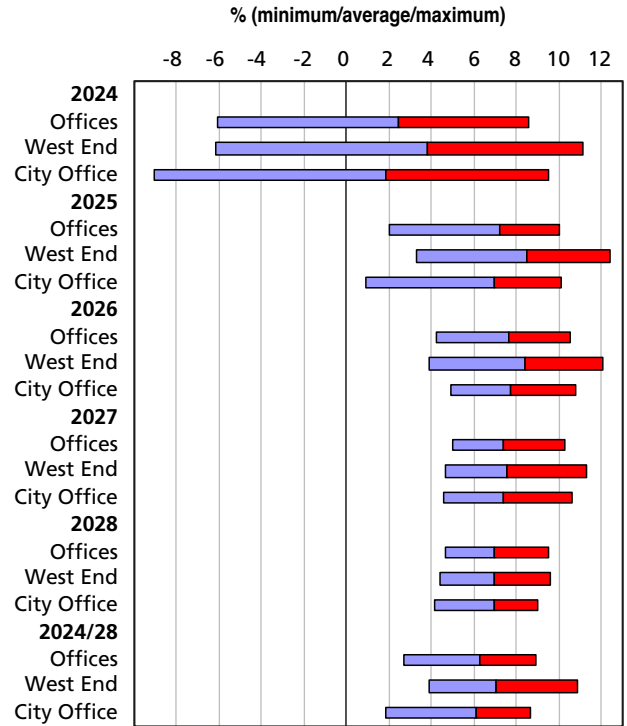
## Central London Offices

### Central London total returns

The 2024 returns for the central London office markets are both positive, although at some distance behind the All Property average of 5.9%. The West End projection is 3.8%, up from 2.8% in the last quarter, while City returns have been upgraded by 40bps to 1.8%. The level of uncertainty around these results is high, having increased from the Autumn survey.

In the remaining years, the West End continues to outperform the City market, although by a declining amount across the years until 2028, when City marginally outperforms.

Over the five-year annualised period, the West End is forecast to return 7.0% pa and the City 6.1% pa, against an Office estimate of 6.3% pa.



## Evolution of Forecasts

### Evolution of All Property Forecasts (%)

	Win-22	Spr-22	Sum-22	Aut-22	Win-23	Spr-23	Sum-23	Aut-23	Win-24
<b>2024</b>									
Rental Value Growth	2.0	1.8	1.5	1.1	1.0	1.3	1.3	1.6	2.0
Capital Value Growth	1.1	0.7	1.3	1.9	2.2	2.3	0.8	0.1	0.8
Total Return	5.4	4.9	5.8	6.8	7.2	7.1	5.7	5.0	5.9
<b>2025</b>									
Rental Value Growth	1.8	1.8	1.8	1.6	1.6	1.8	1.7	1.5	2.0
Capital Value Growth	1.0	0.7	1.8	4.1	2.9	2.8	2.6	3.3	3.5
Total Return	5.3	4.8	6.3	9.0	8.0	7.7	7.5	8.4	8.8
<b>5-Year Annualised (% pa)</b>									
Rental Value Growth	2.0	2.1	2.0	1.8	1.4	1.8	1.9	2.1	2.2
Capital Value Growth	1.8	1.8	1.1	-1.0	0.7	1.3	0.8	0.7	2.4
Total Return	6.2	6.0	5.5	3.6	5.6	6.1	5.6	5.6	7.6

The table above shows the evolution of the average All Property forecasts from Winter 2022 to Winter 2024, for the current year and 2025, as well as the annualised five-year averages.

The latest set of 2024 forecasts show improvement across all indicators. The capital value growth estimate has increased from 0.1% to 0.8%, although this is still some way behind the forecast from a year ago. The total return forecast is now 5.9%, up from a low of 5.0%. The rental value growth expectation has strengthened for another quarter and, at 2.0%, is now at its highest since Winter 2022.

For 2025, the capital value growth projection has risen for the second consecutive quarter and now stands at 3.5%. The 8.8% total return estimate reflects a continuous strengthening of view over the last four quarters. The rental value growth forecast is now 2.0%, the highest projection yet.

The five-year annualised forecast for capital value growth has increased significantly to 2.4% pa; the weak 2023 figure has been replaced with a healthier 2028 projection. Correspondingly, the total return forecast has increased to 7.6% pa. The rental value growth estimate continues to edge higher and now stands at 2.2% pa.



## All Property survey results by contributor type

(Forecasts in brackets are Summer 2023 comparisons)

### Property Advisors

8 (9) contributors	Rental Value Growth (%)					Capital Value Growth (%)					Total Return (%)				
	2024		2025		2024/28	2024		2025		2024/28	2024		2025		2024/28
Maximum	3.0	(2.2)	2.7	(2.4)	3.1 (na)	5.5	(2.4)	6.8	(5.5)	4.8 (na)	10.2	(7.0)	11.4	(10.7)	9.3 (na)
Minimum	0.7	(0.8)	0.2	(-1.0)	1.0 (na)	-1.4	(-2.4)	0.3	(-1.4)	0.6 (na)	3.3	(2.4)	5.2	(3.6)	5.7 (na)
Range	2.3	(1.4)	2.5	(3.4)	2.1 (na)	6.9	(4.8)	6.5	(6.9)	4.2 (na)	6.9	(4.6)	6.2	(7.1)	3.6 (na)
Median	2.3	(1.7)	2.2	(1.7)	2.4 (na)	2.3	(1.0)	3.8	(2.6)	2.9 (na)	7.5	(6.1)	9.2	(7.6)	8.0 (na)
Mean	<b>2.2</b>	<b>(1.6)</b>	<b>2.0</b>	<b>(1.3)</b>	<b>2.4 (na)</b>	<b>2.2</b>	<b>(0.3)</b>	<b>3.8</b>	<b>(2.5)</b>	<b>2.8 (na)</b>	<b>7.3</b>	<b>(5.3)</b>	<b>9.0</b>	<b>(7.6)</b>	<b>7.9 (na)</b>

### Fund Managers

8 (8) contributors	Rental Value Growth (%)					Capital Value Growth (%)					Total Return (%)				
	2024		2025		2024/28	2024		2025		2024/28	2024		2025		2024/28
Maximum	3.1	(3.1)	2.6	(2.4)	2.8 (na)	2.9	(2.9)	4.9	(10.5)	3.2 (na)	8.3	(8.4)	10.8	(15.8)	9.3 (na)
Minimum	-0.2	(-1.4)	1.3	(1.0)	1.7 (na)	-2.0	(-4.3)	1.5	(1.4)	1.5 (na)	2.2	(0.4)	6.8	(6.7)	6.5 (na)
Range	3.3	(4.5)	1.3	(1.4)	1.1 (na)	4.9	(7.2)	3.4	(9.1)	1.7 (na)	6.1	(8.0)	4.0	(9.1)	2.8 (na)
Median	2.1	(1.9)	2.0	(1.7)	2.2 (na)	0.4	(0.7)	4.2	(3.8)	2.2 (na)	5.5	(5.5)	9.0	(8.2)	7.2 (na)
Mean	<b>1.9</b>	<b>(1.5)</b>	<b>2.0</b>	<b>(1.8)</b>	<b>2.1 (na)</b>	<b>0.2</b>	<b>(-0.1)</b>	<b>3.6</b>	<b>(4.4)</b>	<b>2.2 (na)</b>	<b>5.4</b>	<b>(4.9)</b>	<b>9.0</b>	<b>(9.4)</b>	<b>7.5 (na)</b>

### All Property forecasters

18 (18) contributors	Rental Value Growth (%)					Capital Value Growth (%)					Total Return (%)				
	2024		2025		2024/28	2024		2025		2024/28	2024		2025		2024/28
Maximum	3.1	(3.1)	2.7	(2.4)	3.1 (na)	5.5	(2.9)	6.8	(10.5)	4.8 (na)	10.2	(8.4)	11.4	(15.8)	9.3 (na)
Minimum	-0.2	(-1.4)	0.2	(-1.0)	1.0 (na)	-4.0	(-4.3)	0.3	(-1.4)	0.6 (na)	1.5	(0.4)	5.2	(3.6)	5.7 (na)
Range	3.3	(4.5)	2.5	(3.4)	2.1 (na)	9.5	(7.2)	6.5	(11.9)	4.2 (na)	8.7	(8.0)	6.2	(12.2)	3.6 (na)
Std. Dev.	0.8	(1.0)	0.6	(0.8)	0.5 (na)	2.2	(1.9)	1.6	(2.4)	0.9 (na)	2.3	(2.1)	1.6	(2.5)	1.0 (na)
Median	2.2	(1.8)	2.0	(1.7)	2.2 (na)	0.8	(1.0)	3.8	(2.8)	2.4 (na)	6.3	(6.1)	9.0	(8.0)	7.6 (na)
Mean	<b>2.0</b>	<b>(1.6)</b>	<b>2.0</b>	<b>(1.5)</b>	<b>2.2 (na)</b>	<b>0.8</b>	<b>(0.1)</b>	<b>3.5</b>	<b>(3.3)</b>	<b>2.4 (na)</b>	<b>5.9</b>	<b>(5.0)</b>	<b>8.8</b>	<b>(8.4)</b>	<b>7.6 (na)</b>

#### Notes:

- Figures are subject to rounding and are forecasts of All Property or relevant segment Annual Index measures published by MSCI). These measures relate to standing investments only, meaning that the effects of transaction activity, developments and certain active management initiatives are specifically excluded.
- To qualify, forecasts must be generated within 13 weeks of the survey date (23 February 2024).
- Maximum: The strongest growth or return forecast in the survey under each heading.
- Minimum: The weakest growth or return forecast in the survey under each heading.
- Range: The difference between the maximum and minimum figures in the survey.
- Median: The middle forecast when all observations are ranked in order. The average of the middle two forecasts is taken where there is an even number of observations.
- Mean: The arithmetic mean of all forecasts in the survey under each heading. All views carry equal weight.
- Standard deviation: A statistical measure of the spread of forecasts around the mean. Calculated at the 'All forecaster' level only.

## Survey results by sector

### Office

18 forecasts	Rental Value Growth (%)				Capital Value Growth (%)				Total Return (%)			
	2024	2025	2026	2024/28	2024	2025	2026	2024/28	2024	2025	2026	2024/28
Maximum	3.6	3.1	4.7	3.6	4.5	4.7	4.8	3.7	8.6	10.0	10.5	8.9
Minimum	-5.4	-1.0	0.9	-0.3	-11.3	-2.3	-0.5	-1.6	-6.1	2.1	4.2	2.7
Range	9.0	4.1	3.8	3.9	15.8	7.0	5.3	5.3	14.7	7.9	6.3	6.2
Median	1.2	1.1	1.4	1.8	-2.0	2.6	2.8	1.3	2.9	7.8	8.1	6.5
<b>Mean</b>	<b>0.7</b>	<b>1.1</b>	<b>1.9</b>	<b>1.7</b>	<b>-2.6</b>	<b>2.0</b>	<b>2.5</b>	<b>1.2</b>	<b>2.5</b>	<b>7.2</b>	<b>7.6</b>	<b>6.3</b>

### Industrial

18 forecasts	Rental Value Growth (%)				Capital Value Growth (%)				Total Return (%)			
	2024	2025	2026	2024/28	2024	2025	2026	2024/28	2024	2025	2026	2024/28
Maximum	5.5	5.0	4.6	4.2	6.7	9.7	8.6	6.5	11.0	14.4	12.7	10.6
Minimum	2.2	1.0	1.2	1.5	-5.0	2.5	2.0	1.3	-0.2	6.8	5.9	5.9
Range	3.3	4.0	3.4	2.7	11.7	7.2	6.6	5.2	11.2	7.6	6.8	4.7
Median	3.9	3.4	3.0	3.2	4.1	5.2	4.5	3.9	8.8	9.8	8.8	8.4
<b>Mean</b>	<b>3.8</b>	<b>3.3</b>	<b>3.2</b>	<b>3.2</b>	<b>3.6</b>	<b>5.4</b>	<b>4.6</b>	<b>3.9</b>	<b>8.2</b>	<b>10.0</b>	<b>9.1</b>	<b>8.4</b>

### Standard Retail

18 forecasts	Rental Value Growth (%)				Capital Value Growth (%)				Total Return (%)			
	2024	2025	2026	2024/28	2024	2025	2026	2024/28	2024	2025	2026	2024/28
Maximum	3.2	2.3	2.4	2.3	5.5	5.5	5.5	3.9	10.1	10.2	10.4	8.8
Minimum	-2.5	-0.2	0.5	0.4	-5.1	0.0	0.2	-0.3	-1.6	5.1	5.0	4.6
Range	5.7	2.5	1.9	1.9	10.6	5.5	5.3	4.2	11.7	5.1	5.4	4.2
Median	0.4	1.0	1.4	1.0	0.0	3.2	2.7	1.6	5.7	8.3	8.0	7.1
<b>Mean</b>	<b>0.6</b>	<b>1.1</b>	<b>1.4</b>	<b>1.2</b>	<b>-0.3</b>	<b>2.9</b>	<b>2.5</b>	<b>1.8</b>	<b>4.8</b>	<b>8.0</b>	<b>7.6</b>	<b>6.8</b>

### Shopping Centre

17 forecasts	Rental Value Growth (%)				Capital Value Growth (%)				Total Return (%)			
	2024	2025	2026	2024/28	2024	2025	2026	2024/28	2024	2025	2026	2024/28
Maximum	4.5	1.5	2.0	1.3	1.9	3.7	2.9	1.6	9.8	13.0	9.7	9.7
Minimum	-3.3	-3.1	-1.3	-1.4	-11.0	-5.3	-3.3	-3.9	-2.7	2.5	4.8	4.0
Range	7.8	4.6	3.3	2.7	12.9	9.0	6.2	5.5	12.5	10.5	4.9	5.7
Median	-0.5	0.1	1.0	0.8	-1.3	1.5	0.9	0.4	6.6	8.2	7.7	7.6
<b>Mean</b>	<b>-0.5</b>	<b>0.2</b>	<b>0.9</b>	<b>0.6</b>	<b>-1.5</b>	<b>0.8</b>	<b>0.6</b>	<b>0.0</b>	<b>5.7</b>	<b>8.0</b>	<b>7.7</b>	<b>7.1</b>

### Retail Warehouse

17 forecasts	Rental Value Growth (%)				Capital Value Growth (%)				Total Return (%)			
	2024	2025	2026	2024/28	2024	2025	2026	2024/28	2024	2025	2026	2024/28
Maximum	2.4	2.6	3.0	2.9	5.1	6.2	5.5	4.1	11.4	12.2	12.1	10.6
Minimum	-0.7	-0.5	0.0	0.3	-8.9	-0.1	-0.4	-1.4	-2.8	6.3	5.7	4.9
Range	3.1	3.1	3.0	2.6	14.0	6.3	5.9	5.5	14.2	5.9	6.4	5.7
Median	0.7	1.5	1.8	1.4	1.0	3.9	2.3	2.2	7.3	10.4	8.6	8.3
<b>Mean</b>	<b>0.9</b>	<b>1.5</b>	<b>1.7</b>	<b>1.5</b>	<b>0.3</b>	<b>3.2</b>	<b>2.4</b>	<b>1.8</b>	<b>6.7</b>	<b>9.6</b>	<b>8.7</b>	<b>8.1</b>

### All Property

18 forecasts	Rental Value Growth (%)				Capital Value Growth (%)				Total Return (%)			
	2024	2025	2026	2024/28	2024	2025	2026	2024/28	2024	2025	2026	2024/28
Maximum	3.1	2.7	3.4	3.1	5.5	6.8	5.8	4.8	10.2	11.4	10.8	9.3
Minimum	-0.2	0.2	1.0	1.0	-4.0	0.3	1.5	0.6	1.5	5.2	6.1	5.7
Range	3.3	2.5	2.4	2.1	9.5	6.5	4.3	4.2	8.7	6.2	4.7	3.6
Std. Dev.	0.8	0.6	0.6	0.5	2.2	1.6	1.2	0.9	2.3	1.6	1.3	1.0
Median	2.2	2.0	2.1	2.2	0.8	3.8	3.0	2.4	6.3	9.0	8.6	7.6
<b>Mean</b>	<b>2.0</b>	<b>2.0</b>	<b>2.2</b>	<b>2.2</b>	<b>0.8</b>	<b>3.5</b>	<b>3.2</b>	<b>2.4</b>	<b>5.9</b>	<b>8.8</b>	<b>8.4</b>	<b>7.6</b>

## Survey results by sector

### Sector summary: Means

	(no. forecasts)	Rental Value Growth (%)				Capital Value Growth (%)				Total Return (%)			
		2024	2025	2026	2024/28	2024	2025	2026	2024/28	2024	2025	2026	2024/28
Office	(18)	0.7	1.1	1.9	1.7	-2.6	2.0	2.5	1.2	2.5	7.2	7.6	6.3
Industrial	(18)	3.8	3.3	3.2	3.2	3.6	5.4	4.6	3.9	8.2	10.0	9.1	8.4
Standard Retail	(18)	0.6	1.1	1.4	1.2	-0.3	2.9	2.5	1.8	4.8	8.0	7.6	6.8
Shopping Centre	(17)	-0.5	0.2	0.9	0.6	-1.5	0.8	0.6	0.0	5.7	8.0	7.7	7.1
Retail Warehouse	(17)	0.9	1.5	1.7	1.5	0.3	3.2	2.4	1.8	6.7	9.6	8.7	8.1
<b>All Property</b>	<b>(18)</b>	<b>2.0</b>	<b>2.0</b>	<b>2.2</b>	<b>2.2</b>	<b>0.8</b>	<b>3.5</b>	<b>3.2</b>	<b>2.4</b>	<b>5.9</b>	<b>8.8</b>	<b>8.4</b>	<b>7.6</b>

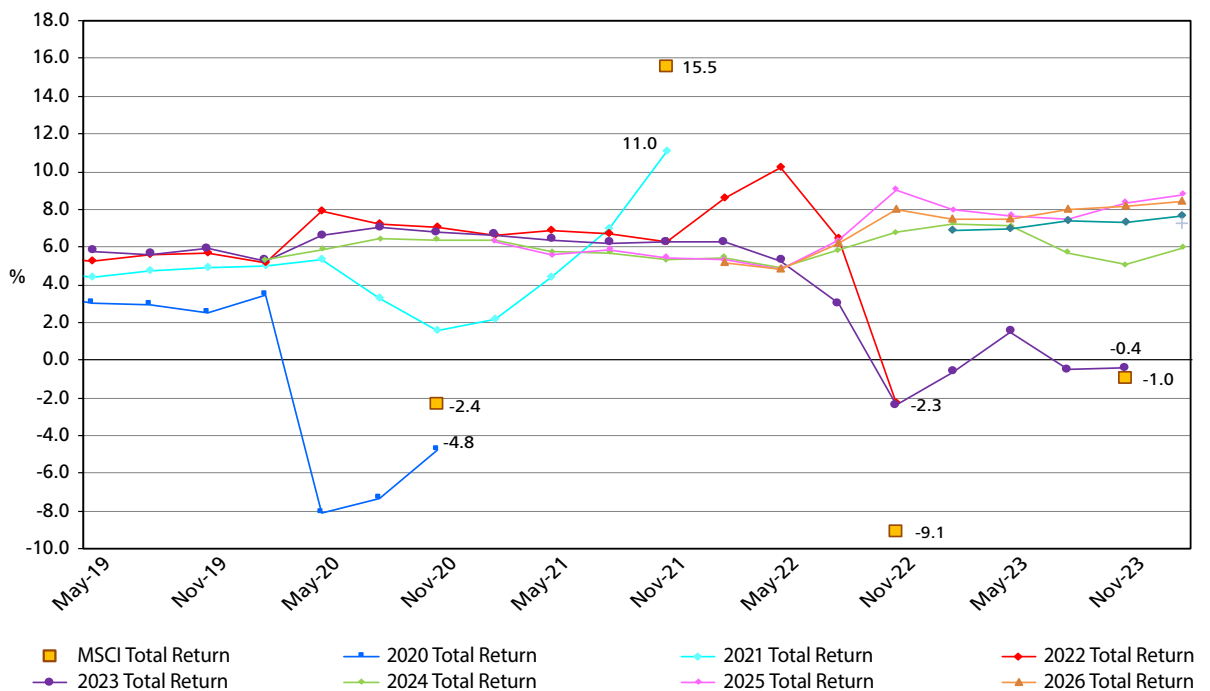
### West End office

16 forecasts	Rental Value Growth (%)				Capital Value Growth (%)				Total Return (%)			
	2024	2025	2026	2024/28	2024	2025	2026	2024/28	2024	2025	2026	2024/28
Maximum	4.5	5.0	5.1	3.9	6.0	7.8	7.2	6.0	11.1	12.4	12.1	10.9
Minimum	-2.7	0.5	1.0	0.9	-10.3	-0.6	0.1	0.1	-6.1	3.3	3.9	3.9
Range	7.2	4.5	4.1	3.0	16.3	8.4	7.1	5.9	17.2	9.1	8.2	7.0
Median	2.2	2.0	2.3	2.5	-0.4	4.1	3.8	2.2	3.1	7.8	8.1	6.3
<b>Mean</b>	<b>1.9</b>	<b>2.2</b>	<b>2.6</b>	<b>2.5</b>	<b>-0.4</b>	<b>4.1</b>	<b>4.1</b>	<b>2.8</b>	<b>3.8</b>	<b>8.5</b>	<b>8.4</b>	<b>7.0</b>

### City office

16 forecasts	Rental Value Growth (%)				Capital Value Growth (%)				Total Return (%)			
	2024	2025	2026	2024/28	2024	2025	2026	2024/28	2024	2025	2026	2024/28
Maximum	3.4	3.0	4.6	4.2	5.3	5.2	5.6	3.6	9.5	10.1	10.8	8.7
Minimum	-6.5	-2.0	0.0	-0.8	-12.8	-2.9	0.0	-1.8	-9.1	0.9	4.9	1.9
Range	9.9	5.0	4.6	5.0	18.1	8.1	5.6	5.4	18.6	9.2	5.9	6.8
Median	1.0	0.5	1.5	1.8	-1.8	3.1	3.4	1.8	2.7	8.0	7.8	6.3
<b>Mean</b>	<b>0.5</b>	<b>0.9</b>	<b>2.0</b>	<b>1.7</b>	<b>-2.9</b>	<b>2.2</b>	<b>2.9</b>	<b>1.3</b>	<b>1.8</b>	<b>7.0</b>	<b>7.7</b>	<b>6.1</b>

### Consensus Forecast All Property Total Return Forecasts versus MSCI (IPD) Annual Outturns



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If your organisation wishes to contribute to future surveys, please contact IPF CEO, Sue Forster at [sforster@ipf.org.uk](mailto:sforster@ipf.org.uk).

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**RESEARCH**

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**Investment Property Forum**  
Hana Workspaces  
70 St. Mary Axe  
London EC3A 8BE

**Email:** [ipfoffice@ipf.org.uk](mailto:ipfoffice@ipf.org.uk)

**Web:** [www.ipf.org.uk](http://www.ipf.org.uk)