# Global real estate perspectives: repricing and opportunity across cycles

In an era of repricing and tighter liquidity, BGO Co-Presidents, **Amy Price** and **Toby Phelps**, discuss how market dynamics across North America and Europe are shaping the next chapter of real estate investment.

Across both regions, investment discipline and asset selection remain central themes as repricing and liquidity constraints shape market behavior. While conditions vary, tenant demand in logistics and housing remains resilient, and digital infrastructure continues to expand.

**1. What key forces are shaping real estate markets today?**
**Amy Price:** Across North America, we see strong secular tailwinds driving durable tenant demand, especially in logistics, housing and data infrastructure. At the same time, assets have been repriced to reflect higher interest rates and a more uncertain outlook, particularly in the US. This creates a compelling entry point. We are investing with discipline but conviction, focusing on locations and asset types where long-term fundamentals are solid, the supply of new product is limited, and values have been reset to levels that represent more attractive risk-adjusted returns.

**Toby Phelps:** , The dynamics in Europe are very similar, we've seen significant repricing across asset classes and a material reduction in domestic institutional liquidity. offset by sound fundamentals and debt that is now accretive. It's a rare combination that we think will make this an exceptional vintage for investing as many investors need liquidity and there is less competition in the market. What remains essential is asset quality, as tenants and investors alike continue to favour energy-efficient, best-in-class properties that meet evolving operational and environmental standards.

**2. How has your approach evolved?**
**Amy Price:** This cycle is about asset selection. It's not the time to simply be a momentum investor; it's about identifying specific markets and assets that will lead tenant demand. We're leveraging data analytics to forecast demand and rent growth, narrowing in on specific properties we believe are best positioned to capture future growth. We've also expanded into structured capital, providing senior debt or preferred equity where traditional lenders have pulled back. This approach allows us to participate in high-quality transactions at lower basis levels, with greater downside protection, while maintaining exposure to the underlying strength of real assets.
**Toby Phelps:** We are probably seeing better value in existing assets where value can be enhanced through capital expenditure and operational performance and we can achieve high stabilized yields-on-cost. We're also seeing phenomenal growth in demand for data centres. The scarcity of land, lengthy permitting processes, and aging power infrastructure have severely restricted supply. Our significant experience in logistics and development enables us to deliver projects that meet this surging demand.

**3. What themes are most important over the next year?**
**Amy Price:** We're closely monitoring global investor sentiment toward the US, as liquidity and the availability and pricing of debt remain key drivers of activity and valuations. Foreign investors, particularly from Europe and Canada, are being more selective, which may keep values lower for longer. While that delays transaction normalization, it extends an attractive entry window for those with capital and conviction. We also expect continued recalibration between core and opportunistic strategies, as investors reassess risk appetite and return expectations in this environment.
**Toby Phelps:** Limited new supply continues to define the European market, keeping our focus on the evolution of capital markets, particularly domestic institutional capital, and levels of competition for assets.. The macro outlook continues to shape both capital markets and tenant demand, but we are seeing positive signs in logistics as on-shoring, supply chain modernization, and increased manufacturing activity take hold. We're also monitoring regulatory developments, including housing policies, rent controls, and ESG requirements across key markets.

**4. How are you approaching capital deployment right now?**
**Amy Price:** We're active but selective. In sectors where pricing has reset and fundamentals are compelling, such as logistics, housing, and structured credit, we're leaning in. We're also tracking markets where dislocation could create compelling acquisition or restructuring opportunities, particularly in sectors under pressure like life sciences, cold storage, and traditional office. Timing is about identifying where risk is mispriced but execution remains achievable, and where conviction aligns with opportunity.
**Toby Phelps:** Across the Atlantic, similar market forces such as repricing, liquidity pressures, and changing investor sentiment are playing out differently. Attention has turned to how these dynamics are influencing market behavior and opportunity over the next few years. A combination of stable macro conditions, solid fundamentals, accretive debt, and widespread repricing across Europe creates a promising backdrop for deployment. With a large pool of owners seeking liquidity, the next 24 to 36 months could represent a strong investment window. Risk-adjusted returns in value-add and core-plus strategies appear particularly compelling, supported by a diverse pipeline of opportunities across sectors and geographies.

As capital adjusts to higher rates and investors navigate shifting cycles, BGO's leaders emphasize a consistent theme across regions: the importance of understanding where fundamentals endure and where patience and discipline are most likely to be rewarded.

*BGO is a leading, global real estate investment and lending advisor, and a globally-recognized provider of real estate services. BGO serves the interests of more than 750 institutional clients with approximately $89 billion USD of assets under management (as of June 30, 2025). BGO has offices in 25 cities across twelve countries with deep, local knowledge, experience, and extensive networks in the regions where we invest in and manage real estate assets on behalf of our clients in primary, secondary and co-investment markets.*

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