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Berlin Hyp's Trend Barometer Survey: Real Estate Industry Takes a Cautious View of the Next Twelve Months

More than 600 real estate professionals participated in Berlin Hyp's Trend Barometer during EXPO REAL in Munich.
With "InfrastructureNow" as its theme, the trade show focused on investable infrastructure for the first time. The Trend Barometer therefore examined the topic alongside commercial real estate financing.

- **Real estate market: 35 percent are taking a wait-and-see approach, while 32 percent expect weak performance.**
- **26 percent see Germany's strength in low-risk, long-term core investments.**
- **Political and regulatory requirements carry the most weight in infrastructure financing.**

How do real estate professionals view the German market, and where do they see new financing potential? Berlin Hyp explored these questions in its third Trend Barometer 2026.

Overall, assessments of the German real estate market over the next twelve months are mixed. Alongside somewhat and optimistic expectations of a market recovery, there is a large group with a neutral or wait-and-see attitude, as well as voices that anticipate a weak trend. This points less to a uniform upswing than to a selective market: opportunities are seen particularly where location, property type, quality, and long-term, sustainable returns are compelling. At the same time, uncertainties remain regarding economic conditions, financing, and future price trends. The German market continues to be viewed as fundamentally relevant—especially for long-term, lower-risk core investments—but, from the perspective of some respondents, it is developing less dynamically than other European markets.

"The mood in the real estate market is characterized neither by optimism nor by resignation. Investors are taking a closer look: Which locations will remain attractive in the long term, and which projects are viable even under changed conditions? In this context, real estate and infrastructure are converging more closely. A reliable energy and digital infrastructure can be just as crucial to a location's future viability as the quality of the property itself," explains Sascha Klaus, a member of the LBBW Executive Board and CEO of Berlin Hyp.

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Key findings from the Trend Barometer survey:

"How do you view the German real estate market over the next twelve months?" Respondents most frequently answered this question with caution: 35 percent consider the future outlook to be uncertain. Another 32 percent expect the market to perform rather weakly. On the other hand, 25 percent anticipate a positive trend overall, and 4 percent even expect a significant market recovery. Another 4 percent expect a significant deterioration. The results thus do not indicate a uniformly negative sentiment—but neither do they suggest widespread optimism.

The second question looked beyond Germany: **"How do you assess the competitive position of the German commercial real estate market compared to other European markets?"** At 26 percent, the largest share of respondents believes that Germany is particularly attractive for low-risk, long-term core investments. Almost as many—25 percent—consider the market fundamentally strong but view it as less dynamic than other European markets. Twenty-one percent currently find more attractive investment opportunities elsewhere in Europe. Nine percent rank Germany among Europe's leading commercial real estate markets; three percent see its competitiveness waning.

Respondents see particularly great financing potential in digital infrastructure: When asked in which infrastructure segments they expect the greatest potential over the next three years, 27 percent cited data centres, fiber optics, and other digital infrastructure projects. This segment was thus the most frequently mentioned. This was followed by renewable energy and energy storage at 22 percent, as well as power grids, heating, and hydrogen infrastructure at 18 percent. Charging infrastructure and low-emission mobility (12 percent), as well as rail, road, and other transportation infrastructure (10 percent), were also mentioned. Social infrastructure accounted for seven percent, while water, wastewater, and circular economy accounted for four percent. Up to three answers were allowed for this question; the percentages therefore refer to the responses, not to the proportion of participants.

Where potential is identified, the question of financial viability also arises. That is why Berlin Hyp concluded by asking: "**Which factors currently have the greatest impact on the financial viability of infrastructure projects?"** Regulatory and political conditions ranked first, accounting for 21 percent of the responses. Construction, completion, and cost risks follow at 17 percent, while the attractiveness and predictability of project cash flows account for 16 percent. For 13 percent of respondents, the quality and creditworthiness of project participants or contractual partners are decisive factors. Ten percent each were attributed to the level of equity and risk allocation, as well as to capital market and refinancing conditions. Subsidies or public guarantees accounted for seven percent; sustainability impact or EU taxonomy compliance, as well as social acceptance and approval risks, each accounted for three

percent. Participants were allowed to select up to two answers in this category.

About the Berlin Hyp Trend Barometer:
Berlin Hyp has been publishing the “Trend Barometer” expert survey for over ten years. For the current survey, more than 600 real estate professionals were interviewed at EXPO REAL in Munich from October 5 to 7, 2026, on four market and infrastructure topics.

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About Berlin Hyp:
Berlin Hyp is a leading provider of commercial real estate financing and serves as LBBW’s CRE centre of excellence. With a direct presence in Germany as well as in the core markets of Europe and North America, comprehensive expertise, and modern processes, we support investors and real estate companies in achieving their goals. In doing so, we combine the agility of a specialized financier with the stability and broad range of services offered by the best mid-sized universal bank. We provide German savings banks with a broad range of products in the field of commercial real estate financing. With this comprehensive range of services—and driven by our commitment to being the premier provider of commercial real estate financing—we create new opportunities.