

Real Estate Insight March 2025

Scope Group's regular round-up of recent research on the real estate sector, from companies and markets to funds and structured products.

Europe's real estate firms find funding respite but refinancing challenge looms; covered bonds provide stability in turbulent times; non-prime office segment faces rising vacancy rates; what can Frederick the Great tell us about today's capital markets?



18 February 2025 | Philipp Wass

European real estate: funding squeeze forgotten; refinancing challenge lies ahead

The improvement in funding conditions is likely to last, but the sector still has EUR 120bn of capital market debt to roll over between 2025 and 2027, an increase of more than 40% compared with the three years between 2022 and 2024.

[Read more](#)

16 January 2025 | Mathias Pleissner

Covered Bond Outlook 2025: credit stability in times of increasing uncertainty

Lower interest rates and an expectation of further rate cuts in 2025 will continue to lower risk for commercial real estate exposures, revive growth in residential house prices and improve affordability for homeowners.

[Read more](#)

13 January 2025 | Benjamin Bouchet & Krisztián Bellon

European CRE loan/CMBS 2025 Outlook: cautiously optimistic

We expect non-prime offices to suffer from higher vacancy rates than the historically low levels experienced following the global financial crisis as tenants seek prime properties with strong sustainability criteria, flexible space and generally shorter lease terms while tenant incentives remain high

[Read more](#)

11 December 2024 | Benoit Vasseur

Scope assigns mandated ratings to UniCredit-arranged Asti Group Italian RMBS

Scope's ABS mandates continue to grow with Asti Group RMBS IV, a securitisation of prime Italian residential mortgages arranged by UniCredit. The mandate follows the ECB's inclusion of Scope's ABS ratings in its credit assessment framework (ECAAF).

[Read more](#)

4 December 2024 | Antonio Casado

Structured finance monitoring report and 2025 rating outlook

Our general structured finance outlook is underpinned by expectations for a continued soft landing. Differentiation between asset classes reflects their degree of exposure to economic risks as well as the rating impacts of asset-class-specific securitisation features.

[Read more](#)

18 November 2024 | Mathias Pleissner

Divergent household strategies to optimise borrowing costs may put financial stability at risk

Homeowners in some European markets prefer floating-rate mortgages while others prefer longer-dated fixed interest rates. Given that borrowing costs are all linked to the same ECB rates, this is somewhat counter intuitive

[Read more](#)

24 October 2024 | Mathias Pleissner

What Frederick the Great might have told Mario Draghi about covered bonds

In 1769, Frederick the Great, King of Prussia, introduced the legal basis for an instrument that developed into Germany's Pfandbrief, the forerunner of all covered bonds. How would he have reacted to the Draghi report on European competitiveness?

[Read more](#)

1 October 2024 | Benjamin Bouchet & Shan Jiang

European CRE/CMBS: only six of 20 loans have repaid or been refinanced

The expectation of further gradual rates reductions in the euro area and the UK, coupled with a soft landing of the economy and a tight labour market, is positive for transaction performance, and further issuance

[Read more](#)

6 September | Mathias Pleissner

Covered Bond Directive: policymakers solicit views... Are ESNs the next frontier?

Covered bonds and corresponding European legal frameworks would benefit from stronger and better aligned market-risk-management guidelines; clarity on liquidity access for covered bonds that are in an orderly and stand-alone wind down; and more dynamic over-collateralisation (OC) rules.

[Read more](#)