

# Alternative Investment Funds (AIFs) exposures to commercial real estate

Recommendation E of the ESRB Recommendation on closing real estate data gaps (ESRB/2016/14)<sup>1</sup> indicates that ESMA is recommended to publish aggregated data on the exposures of the entities subject to its supervision to commercial real estate (CRE) markets in the EU.

In accordance with the guidance provided in the Annex to the Recommendation the entities under the scope of ESMA supervision are investment funds and the data to be used should be those extracted from the AIFMD database.

ESMA is publishing data on exposures of AIFs to CRE markets in the EU as of 31<sup>st</sup> December 2024.<sup>2</sup>

AIF exposures to commercial real estate (31/12/2024)		
AIF Strategy "Commercial Real Estate" (EU aggregated data / yearly)	Number of CRE AIFs: 1931 AIFs marketed and/or managed by authorised EU AIFMs*	
	NAV: EUR 531bn, CRE AIFs managed and/or marketed by authorised EU AIFMs*	
	Geographical breakdown of the investments	EEA: 83% NON-EEA: 17%
Value of CRE (EU aggregated data / yearly)	Total value of CRE investments: EUR 444bn	

\*Representing 98% of the total CRE funds in terms of NAV.

## 1 Coverage

- At the end of 2024, 2213 AIFs were pursuing a CRE strategy of which 1931 were AIFs marketed and/or managed by authorised EU AIFMs (Net Asset Value of EUR 531bn).
- AIFs managed by sub-threshold AIFMs registered at national level with no access to the AIFMD passport are not included in the table.
- Feeder AIFs are excluded to avoid any duplication of assets.
- This information relies solely on the AIFMD reporting at the end of 2024.

<sup>1</sup> [https://www.esrb.europa.eu/pub/pdf/recommendations/2016/ESRB\\_2016\\_14.en.pdf](https://www.esrb.europa.eu/pub/pdf/recommendations/2016/ESRB_2016_14.en.pdf) (please see Annex 1 of this note for relevant extracts of the Recommendation).

<sup>2</sup> The sample comprises AIFs pursuing solely a CRE strategy. Given the difference in scope with previous publications, changes are not significant.

- Commercial real estate exposures from entities not reporting under AIFMD are not included. This can especially be the case of some entities created under national laws.

## **2 Geographical breakdown**

- Geographical exposures are calculated as a percentage of the total NAV, taking into consideration the domicile of the investments.
- The geographical breakdown is based on data reported by AIFs marketed and/or managed by authorised EU AIFMs pursuing primarily a CRE strategy.

## **3 Total value of CRE investments**

- Total value of investment refers to the value of real estate held physically by CRE funds, which is the value reported in the AIF's most recent financial accounts or, if this is not available, at fair value.
- The total value of investment is based on data reported by AIFs marketed and/or managed by authorised EU AIFMs pursuing primarily a CRE strategy.