

Geneva Real Estate Summary

3rd Quarter
2025

The indicators are compiled on a quarterly basis as part of a detailed and comprehensive study conducted by Naef Commercial | Knight Frank, based on real market data and prevailing trends.

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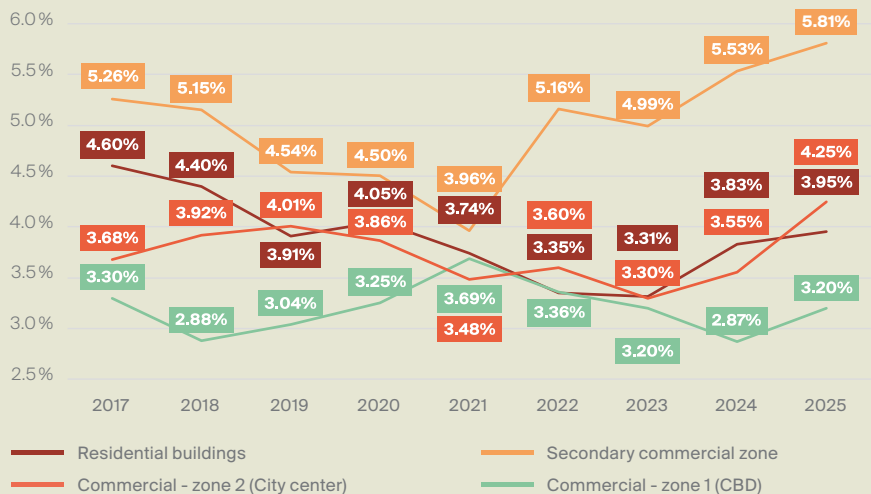
Insights from the Investment Market

► A market between caution and recovery: towards a phase of lasting stabilisation ?

AFC CAPITALISATION RATES

In October, the State Council publishes the capitalisation rates applicable for the coming year based on transactions completed over the previous 18 months. This release marks a definitive break from the yield-compression cycle confirms a clear shift away from yield compression after two consecutive years of rising rates. Over this period, valuations transitioned to a more rational and fundamentals-driven cycle, in which asset quality, rental stability and location have once again become the primary drivers of value creation. The market is gradually moving toward normalisation following a phase of excessive valuation growth.

Gross capitalization rates

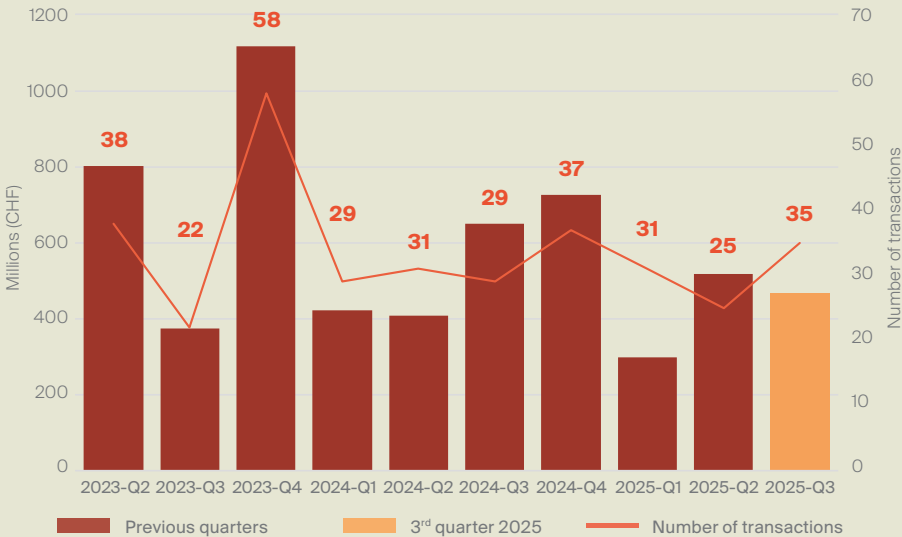


SEGMENT-SPECIFIC DYNAMICS

Compared with the previous year, the residential cap rate increased moderately by 3.1%, highlighting the structural resilience of the residential sector and defensive nature of the segment.

The commercial sector displays a more pronounced disparities : city-center assets remain stable, while properties located in secondary or peripheral areas are experiencing a more pronounced rise in yields. This divergence reflects a swift adjustment across the commercial property market, as investors now require higher real yields to offset rising renovation costs and increasingly stringent risk criteria. Prime locations and assets offering strong tenant security continue to attract strong investor appeal.

Volume and number of transactions



Following this swift correction phase, the market now appears to be transitioning toward a more balanced footing, assuming macroeconomic and financial conditions remain stable. Under such circumstances, investors can expect a clearer and more predictable environment, one in which economic fundamentals and the intrinsic quality of assets once again prevail over the yield compression observed in recent years.

MARKET ACTIVITY : 3RD QUARTER

The number of transactions increased by 40% compared with the previous quarter. However, total traded volume contracted by 10%. This divergence reflects a pronounced adjustment in average deal size, which fell by 35% over the period. The most actively traded segments remain multi-residential buildings and mixed-use assets combining residential and commercial functions. In line with the pattern observed throughout 2024, these two categories together accounted for 54% of all transactions recorded during the quarter. No portfolio transactions were completed over the period under review, underscoring a market still characterised by selective, asset-by-asset decision-making.

TOP FIVE TRANSACTIONS OF THE QUARTER

The five largest transactions of the quarter represented a combined CHF 215 million, corresponding to 46% of total investment volume. Notably, two of these deals, including the quarter’s largest, were executed by Realstone, amounting to CHF 109.9 million across three acquisitions. Meanwhile, the Edmond de Rothschild SICAV deployed CHF 63 million through five individual transactions, reaffirming its strategic positioning within the Geneva investment landscape.

ÉTUDES ET RECHERCHES



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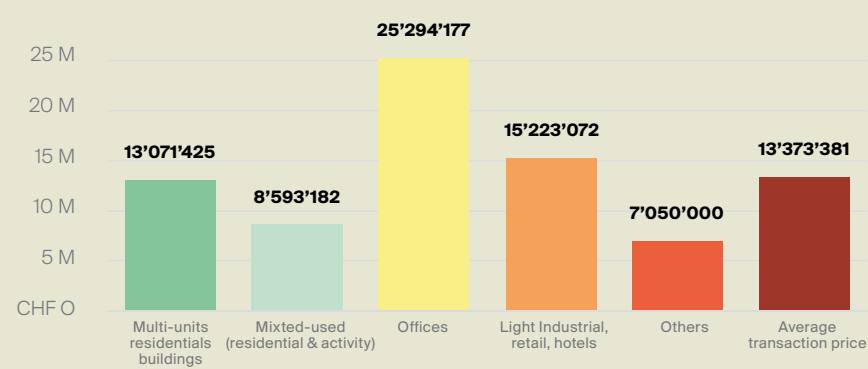
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Investment by asset category in 3rd quarter of 2025

	CHF	%	Number	%	Average transaction price
Multi-units residential buildings	156'857'103 CHF	34 %	12	34 %	13'071'425 CHF
Mixed-used (residential & activity)	94'525'000 CHF	20 %	11	31 %	8'593'182 CHF
Offices	126'470'883 CHF	27 %	5	14 %	25'294'177 CHF
Light Industrial, retail, hotels	45'765'360 CHF	16 %	5	14 %	15'223'072 CHF
Others	14'100'000 CHF	3 %	2	6 %	7'050'000 CHF
Total	468'068'346 CHF	100 %	35	100 %	13'373'381 CHF

*Official Gazette (FAO), data collected as of 31 October 2025

Average transaction price by asset classification



Top 5 Transactions



73'833'626 CHF
1 asset
Genève-Petit-Saconnex
ACQUIRER : REALSTONE SA
VENDOR : ROXBURY SA



51'340'158 CHF
1 asset
Versoix
ACQUIRER : INVESTIS PROPERTIES SA
VENDOR : CREDIT SUISSE ANLAGESTIFTUNG



31'930'725 CHF
1 asset
Genève-Cité
ACQUIRER : SYMPHONY REAL ESTATE SA
VENDOR : BALMIS AG



30'350'000 CHF
2 assets
Genève-Plainpalais
ACQUIRER : FONDATION PRAILLE-ACACIAS-VERNETS
VENDOR : DEVELOPPEMENT ACACIAS (SCPC)



28'165'360 CHF
1 asset
Vernier
ACQUIRER : REALSTONE FONDATION DE PLACEMENT
VENDOR : JSS REAL ESTATE MANAGEMENT SA