

Exploring the long term historical performance of the UK listed real estate sector

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Interest in the performance of property assets in earlier decades, or even centuries, has risen in recent years, and this interest has been maintained as the economic environment has changed and as developed economies have experienced higher rates of inflation and higher interest rates than seen for many years. Yet while various studies have attempted to construct a long term view of prices or performance in relation to private real estate markets, there has been comparatively little attention to the performance of listed real estate over the very long term. This partly reflects the evolution of listed property investment vehicles and of appropriate indices to track the sector in different markets. However, although the UK has only had a REIT structure since 2007, listed property investment companies have existed here since at least the mid-nineteenth century. In this paper, we review performance data for the UK listed real estate sector dating from the mid-twentieth century onwards, and we examine the possibility and challenges of tracing back this performance history even further. We also compare the history to the series produced from archival exercises conducted on the UK private real estate market, and reflect on whether research around the listed sector provides a better route to uncovering UK real estate investment performance from earlier decades.