# London’s resilient real estate appeal fuels record US and GCC investments in 2024



London continues to attract significant attention from global investors despite the high cost of entry, maintaining its position as one of the world's most sought-after real estate markets. Recent discussions following Opportunity London’s tour of North America underscore a widespread recognition of the city’s appeal, particularly among private US investors. These investors appear motivated by uncertainties in their domestic market, viewing London as a stable and liquid investment environment with a proven track record of strong cross-border investment volumes, attractive returns, and a diverse range of sectors and asset classes.

This bullish sentiment is supported by data showing a remarkable surge in US investment in London’s commercial property market. In the first quarter of 2024 alone, US-based investors spent approximately £1.9 billion on commercial real estate in London—a six-fold increase compared with the previous year and the highest quarterly investment figure since late 2015. Notable transactions during this period include MCR Hotels’ £275 million acquisition of the BT Tower and Elliott Management’s purchase of a £300 million mixed-use portfolio in the West End. These substantial purchases reflect renewed confidence in the city’s real estate prospects amid shifting global investment patterns.

London’s appeal extends well beyond the US investor base. According to the 2024 GCC Investment Barometer from Al Rayan Bank, investors from the Gulf Cooperation Council (GCC) region increased their average property investments in London by 24% in the past year, amounting to an average of $112.45 million each. London remains the most favoured city for real estate investment among international cities surveyed, outstripping competitors such as Miami, New York, Paris, and Los Angeles.

Over the past decade, London has consistently outperformed other global financial hubs in attracting commercial real estate investment. Research from Knight Frank reveals that the city led with $87 billion in investment inflows, surpassing Hong Kong’s $61 billion and New York’s $52 billion during the same period. This robust performance contributes to a broader trend of private capital influxes into global commercial real estate markets, totalling $1.5 trillion over the last ten years.

Several factors underpin London's enduring status as one of the world’s most liquid and attractive real estate markets. Stability, deep liquidity, and accessibility continue to drive demand from international investors. Market observers emphasize that London’s real estate market benefits from a depth and breadth of offerings across various sectors, as well as its exceptional global connectivity. This liquidity is pivotal in giving investors confidence, particularly during times of geopolitical and economic uncertainty.

However, the changing dynamics of property investment in London are also notable. Major commercial landlords, such as Land Securities, report strong rental income growth but are actively reshaping their portfolios. Landsec, for instance, witnessed a 6.6% increase in net rental income from its £6.7 billion central London office portfolio in the year to March 2025. Despite this growth, the company plans to divest £2 billion in office properties over five years commencing in 2026, redirecting capital toward residential developments to seek more stable returns. This shift signals evolving strategies within London’s property market in response to broader economic and demographic trends.

In summary, while London’s property market commands some of the highest costs globally, it remains a favoured destination for cross-border investment, bolstered by strong market liquidity, a diverse asset base, and ongoing confidence from both US and Gulf investors. These factors collectively underpin the city’s resilience and continued status as a leading global financial and real estate hub.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.standard.co.uk/business/londons-high-costs-global-investors-trump-b1247237.html), [[2]](https://www.standard.co.uk/business/londons-high-costs-global-investors-trump-b1247237.html)
* Paragraph 2 – [[4]](https://www.reuters.com/markets/us-spending-london-real-estate-rebounds-highest-eight-years-2024-05-01/), [[6]](https://www.cbn.com.cy/article/2025/5/6/835128/why-londons-real-estate-market-remains-one-of-the-most-liquid-in-the-world/)
* Paragraph 3 – [[3]](https://www.londonworld.com/business/london-named-top-city-for-property-market-investment-5036666)
* Paragraph 4 – [[5]](https://www.propertynewsint.com/news/london-tops-global-real-estate-investment-surpassing-87-b-in-a-decade)
* Paragraph 5 – [[6]](https://www.cbn.com.cy/article/2025/5/6/835128/why-londons-real-estate-market-remains-one-of-the-most-liquid-in-the-world/)
* Paragraph 6 – [[7]](https://www.ft.com/content/4e2f86c6-441d-4fa5-8a34-c86cbf3540df)
* Paragraph 7 – [[1]](https://www.standard.co.uk/business/londons-high-costs-global-investors-trump-b1247237.html), [[2]](https://www.standard.co.uk/business/londons-high-costs-global-investors-trump-b1247237.html), [[3]](https://www.londonworld.com/business/london-named-top-city-for-property-market-investment-5036666), [[4]](https://www.reuters.com/markets/us-spending-london-real-estate-rebounds-highest-eight-years-2024-05-01/), [[5]](https://www.propertynewsint.com/news/london-tops-global-real-estate-investment-surpassing-87-b-in-a-decade), [[6]](https://www.cbn.com.cy/article/2025/5/6/835128/why-londons-real-estate-market-remains-one-of-the-most-liquid-in-the-world/), [[7]](https://www.ft.com/content/4e2f86c6-441d-4fa5-8a34-c86cbf3540df)

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## Bibliography

1. <https://www.standard.co.uk/business/londons-high-costs-global-investors-trump-b1247237.html> - Please view link - unable to able to access data
2. <https://www.standard.co.uk/business/londons-high-costs-global-investors-trump-b1247237.html> - An article from The Standard discussing London's appeal to global investors despite high costs. It highlights that London remains a strong and liquid market with a track record of strong cross-border investment volumes and returns, global connectivity, depth, and breadth of sector and asset class. The piece also mentions that private US investors are looking to London in light of their domestic uncertainty, and that the UK continues to offer attractive opportunities.
3. <https://www.londonworld.com/business/london-named-top-city-for-property-market-investment-5036666> - A report from LondonWorld stating that London remains the top global destination for Gulf Cooperation Council (GCC) investment. The 2024 GCC Investment Barometer from Al Rayan Bank found that respondents invested an average of $112.45 million in London property over the past year, up 24% from the previous year. The report also notes that London was the most popular property investment target among international cities surveyed, ahead of Miami, New York, Paris, and Los Angeles.
4. <https://www.reuters.com/markets/us-spending-london-real-estate-rebounds-highest-eight-years-2024-05-01/> - An article from Reuters reporting that U.S. investors are purchasing London commercial properties at the highest rate in eight years. Between January and March 2024, U.S.-based investors spent £1.9 billion on London commercial real estate, marking a six-fold increase from the previous year. This increase is the highest since the last quarter of 2015. Notable transactions included MCR Hotels' acquisition of the BT Tower for £275 million and Elliott Management's £300 million mixed-use portfolio purchase in the West End.
5. <https://www.propertynewsint.com/news/london-tops-global-real-estate-investment-surpassing-87-b-in-a-decade> - A report from Property News International stating that London has outpaced other global financial hubs, including Hong Kong and New York, in real estate investment over the past decade. According to data from Knight Frank, London led with $87 billion in inflows, followed by Hong Kong at $61 billion and New York at $52 billion. The report also notes that over the past decade, $1.5 trillion in private capital was invested in global commercial real estate.
6. <https://www.cbn.com.cy/article/2025/5/6/835128/why-londons-real-estate-market-remains-one-of-the-most-liquid-in-the-world/> - An opinion piece from the Cyprus Business Network discussing why London's real estate market remains one of the most liquid in the world. The article highlights that London's property market consistently attracts interest due to its combination of stability, demand, and accessibility. It also notes that in the first quarter of 2024, U.S.-based investors invested £1.9 billion in London commercial properties, a six-fold rise from the previous year and the highest level since late 2015.
7. <https://www.ft.com/content/4e2f86c6-441d-4fa5-8a34-c86cbf3540df> - An article from the Financial Times reporting that Land Securities (Landsec), a major FTSE 100 commercial landlord, reported a significant 6.6% growth in net rental income from its £6.7 billion central London office portfolio in the year to March 2025. The article also notes that the company plans to sell £2 billion in office properties over five years beginning in 2026, redirecting the capital into residential developments, which CEO Mark Allan believes offer more stable returns.