

Commercial Real Estate Investment Market Update

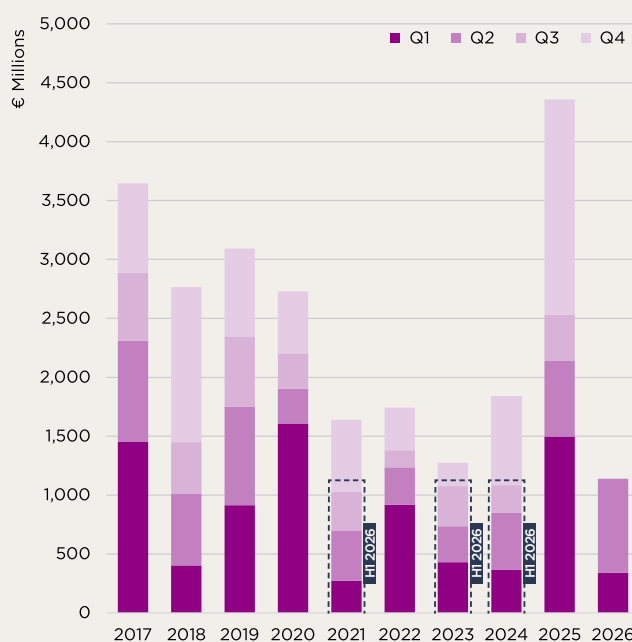
Czech Republic – Q2 2026




Market highlights

- Commercial real estate investment activity in the Czech Republic strengthened following a subdued first quarter, with Q2 transaction volume reaching nearly €796 million. Consequently, total investment volume for H1 reached almost €1.14 billion. Although this was 47% lower than the exceptionally strong H1 2025, the year-on-year fall reflects a normalisation of activity rather than a collapse in investor appetite. In longer term perspective, H1 2026 market performance was 1% above the five-year H1 average. Furthermore, in absolute terms, H1 2026 investment volume alone exceeded the cumulative transaction volume recorded during the first three quarters of 2024, as well as that of the first three quarters of 2023 and 2021.
- The H1 2026 sector breakdown saw the office sector re-emerge as the largest investment segment, accounting for 40% of total transaction volume. Residential assets ranked second with a 17% share, followed by hotels at 13%. Retail and mixed-use assets each contributed 12% of total volume, while the industrial sector accounted for just 3% of transaction volume recorded during the first six months of the year.
- Prime yields remained broadly stable across all major sectors in Q2 2026, with the market now in its third consecutive year of yield stability and no significant movements expected in H2. Prime office, industrial and shopping centre yields held at 5.25%, 5.15% and 6.00%, respectively, while high street retail yields remained around 4.50%.

H1 2026 VOLUME EXCEEDS THREE QUARTERS OF 2024



KEY STATISTICS

VOLUME
YEAR-TO-DATE

€1.14B

Y-O-Y CHANGE: -47%

PRIME YIELD
OFFICES

5.25%

Y-O-Y CHANGE: none

PRIME YIELD
INDUSTRIAL

5.15%

Y-O-Y CHANGE: none

PRIME YIELD
SHOPPING CENTRES

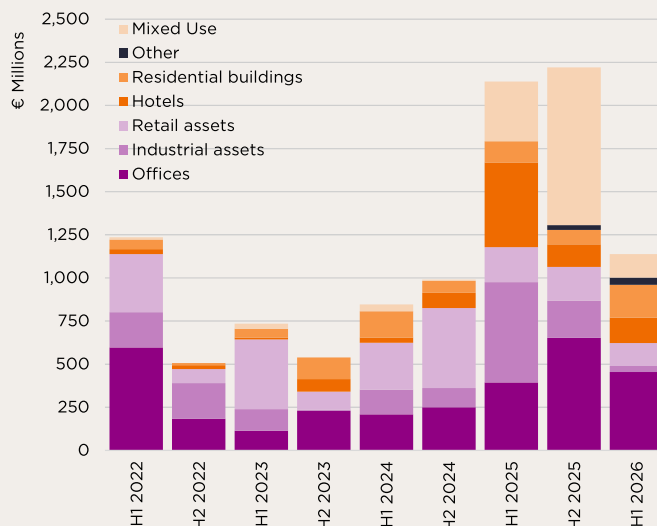
6.00%

Y-O-Y CHANGE: -25 bps

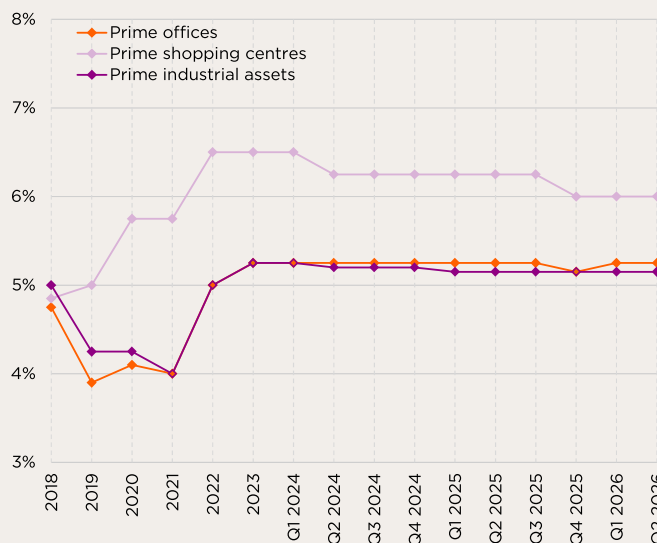
This quarter at a glance

- The second quarter of 2026 recorded €796 million of investment across 16 transactions. Activity remained concentrated in Prague, which accounted for the majority of deals completed during the quarter (10), including all office assets that changed hands in Q2.
- Offices dominated investment activity, attracting €353 million, or 44% of quarterly transaction volume, signalling renewed institutional confidence in well-located Prague office assets. Key transactions included Port7, Trimaran & Element, and the T-Mobile HQ.
- A single portfolio transaction comprising 760 residential units in Prague-Písnice propelled the residential sector to account for nearly a quarter of Q2 investment volume, marking its strongest quarterly performance since Q1 2020. The transaction also represents the largest deal completed in the Czech market so far this year.
- The mixed-use segment recorded one transaction in Q2, with CPI selling the Na Příkopě 14 office and retail property. The deal represented the third-largest sector share of quarterly investment volume, accounting for 15%.
- The industrial, retail, and hotel sectors recorded a number of smaller transactions, together contributing 12% of the Q2 volume. Retail activity comprised the sale of three separate regional retail parks, while Novo Plaza, transacted in Q1 2026, remains the only shopping centre sold so far this year.
- Consistent with the pattern observed in recent years, domestic capital remained the backbone of the market, accounting for the majority of investment activity. At the same time, the share of international buyers increased to 33% in H1 2026, its highest level since 2022.
- A number of major transactions are expected to close in H2, with investment volumes potentially approaching a further €2 billion. Office assets are projected to account for more than 50% of nationwide investment volume in 2026, while several landmark hotel sales and larger mixed-use transactions are also nearing completion. Investor activity remains concentrated in Prague, with regional markets continuing to see only smaller deals. At the same time, demand spans the full risk spectrum, extending beyond prime core assets such as Port 7 and Main Point Pankrác to include value-add and redevelopment opportunities.

INVESTMENT VOLUME BY SECTOR



PRIME INVESTMENT YIELDS REMAIN STABLE



Source: Savills Research



Savills Research

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