Czech Investment Market

Q2 2026

A regular investment market update on the Czech real estate market

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We expect investor demand to remain strong throughout the second half of the year. The market is currently seeing a number of transactions under negotiation, including prime office buildings in Prague and portfolios of logistics and warehouse properties.

- The return of foreign investors to the Czech market was already evident in the first half of the year, and we expect this to continue in remainder the year. Czech capital remains in the lead.

  This year's investment volume could approach €3 billion, which is lower than last year but still above the long-term average.

Overview

Q2 2026	Prime Yields
Offices	5.00%
Shopping Centres	5.75%
Retail Parks	5.75%
High Streets	4.25%
BTR	4.25%
Industrial & Logistics	5.00%

CZECH INVESTMENT MARKET

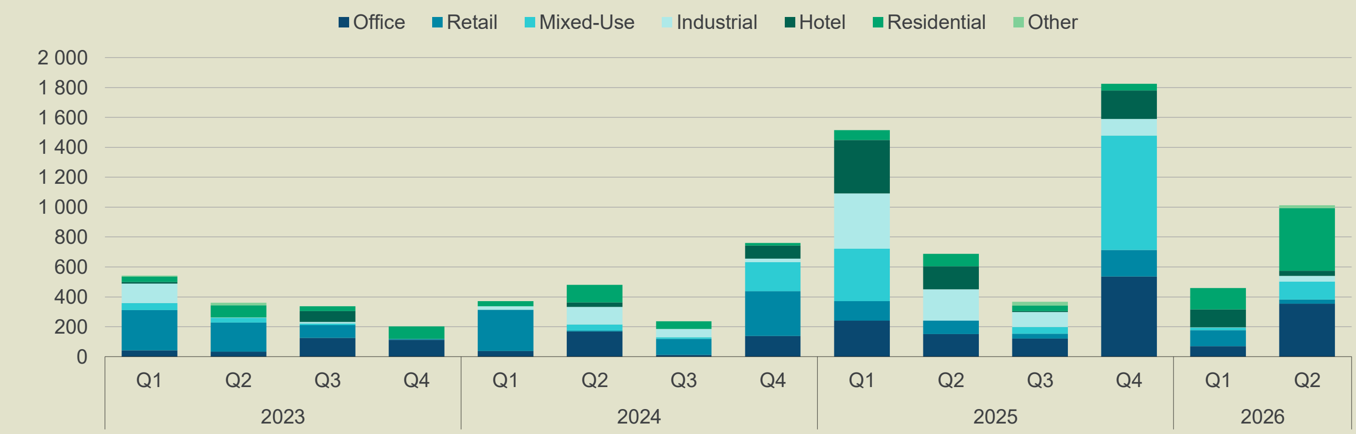
In the second quarter of 2026, investment volumes exceeded €1 billion, up by 121% compared to the first quarter and up by 47% compared with the same period last year.

In the first six months of the year, investment volume reached €1.47 billion, down by 33% compared with the previous year.

Rental residential assets were the most traded asset class (41%) in Q2 2026, followed by offices (35%).
The residential sector also accounted for the largest share of total investment volume in the first half of the year.

Czech investors remained the dominant source of capital, accounting for 74% of investment activity during the second quarter.

Real Estate Investment Volume
€ million



Source: Knight Frank Research

MAJOR INVESTMENT TRANSACTIONS

WOOD & Company, through its WOOD & Company City – OPF fund, acquired the Písnice residential project from CIB GROUP, comprising a portfolio of 760 apartments in Prague 4. In cooperation with SATPO, the fund plans to revitalise the scheme under the City Home brand. This is currently the largest real estate transaction completed this year.

AFI Europe concluded the acquisition of the Port7 office complex in Prague 7. In addition to three office buildings, the transaction also includes a development site designated for rental residential housing.

The Generali Real Estate Fund, managed by Generali Investments, acquired the mixed-use office and retail property at Na Příkopě 14 in central Prague.

The Axelor real estate fund acquired the Trimaran and Element office buildings in Prague 4's Pankrác district.

Kooperativa and the Mint Residential Fund completed forward purchase acquisitions of 127 and 113 apartments, respectively, within the Vision Karlín residential development.

Prime yields remained stable across most real estate sectors during the second quarter. Only prime BTR yields compressed to 4.25%.

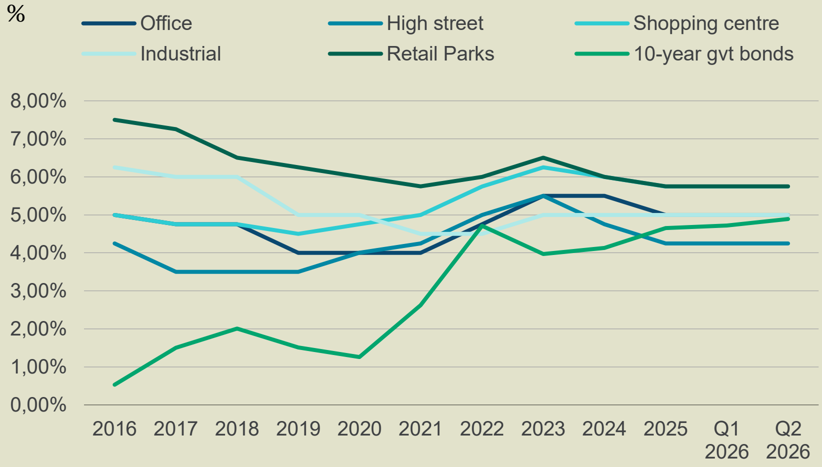
In June, both the European Central Bank and the Czech National Bank increased their policy interest rates by 25 basis points.

Five-year swap rates rose above 2.9% during the second quarter before stabilising at sub 2.8% by the end of June, which is still above the level in the beginning of the year.

The future direction of yields will depend primarily on development of financing costs. Robust investor demand and the limited availability of high-quality assets are expected to mitigate the potential for any significant outward yield movement.

Prime Yields

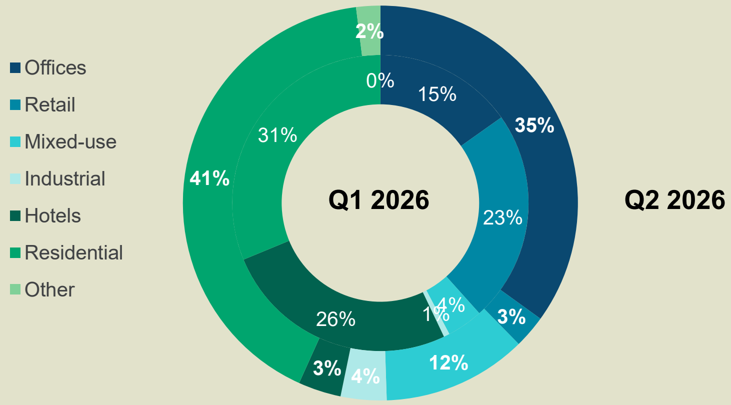
%



Source: Knight Frank Research

Investment by Sector

€ million



Source: Knight Frank Research

We are passionate about answering your questions. If you've got one about our research or you would like some property advice, we would love to hear from you.

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