Retail Market Czech Republic

H1 2026	A regular update of retail market in the Czech Republic	www.knightfrankprostory.cz/en/news www.knightfrank.com/research

Overview

Total Retail Stock

4.25 m sq m

New Supply H1 2026

48,100 sq m

Under Construction and Refurbishment

130,000 sq m

Retail Sales (May 2026)

+4.7%

By the end of H1 2026, the total leasable retail area exceeded 4.25 million sq m.

In the first half of 2026, 48,100 sq m of retail area was completed in projects with a sales area larger than five thousand sq m.

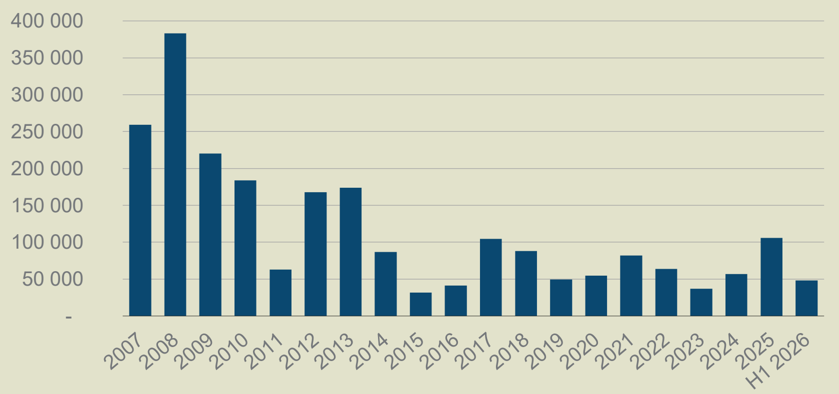
In total, 130,000 sq m of retail area was under construction and refurbishment.

In H1 2026, prime shopping centre rents in Prague increased to €145–155 per sq m per month. Prime high street rents in Prague reached €210–235 per sq m per month.

In Q2 2026, prime yields for retail properties remained stable.

Annual Retail Supply

sq m



Source: Knight Frank Research

Retail Market Saturation in Regional Cities

sq m per 1,000 inhabitants

Source: Knight Frank Research

RETAIL MARKET OVERVIEW

In H1 2026, the Czech retail sector performed well, supported by gradually strengthening consumer demand. Retail sales recorded moderate growth, while shopping centres maintained high footfall, particularly larger regional modernised centres with a strong mix of gastronomy, services and leisure facilities. The development of new retail parks and the expansion of existing ones continued, especially in smaller towns, where a significant share of new investments and retail chain expansion is being directed.

According to the Czech Statistical Office, retail sales adjusted for price effects increased by 4.7% in real terms in May 2026. Sales of non-food goods rose by 7.4% and food sales by 2.9%, whereas sales of automotive fuel decreased by 0.8%. The most significant year-on-year growth in sales was recorded by specialised clothing and footwear stores, rising by 15.7%. Sales at online and mail-order retailers increased by 11.6%.

In the first half of 2026, the total leasable retail area in the Czech Republic exceeded 4.25 million sq m. A total of 48,100 sq m of retail area was completed in projects with a sales area exceeding 5,000 sq m. Newly completed projects included the OC Kaskády Ivanovice shopping centre in Brno (10,800 sq m of sales area, 20 units) and the Retail Park Třeboň (9,600 sq m, 18 units). A new retail park, OC Veselí nad Lužnicí, was also finished, offering a total of 6,050 sq m of retail area. The development includes a Kaufland store featuring a unique format, the first Kaufland XS, which is the smallest store in the country.

Forum Pardubice shopping centre was extended by an additional 10,400 sq m of retail space across seven retail units. Olympia Teplice was expanded with the opening of a new retail park comprising 13 retail units and 8,300 sq m of sales area. Galerie Teplice shopping centre added a new extension of approximately 3,000 sq m.

Newly opened shopping centres and retail parks in H1 2026

PROPERTY NAME	TOWN	AREA (sq m)
OC Kaskády Ivanovice	Brno	10,800
Forum Pardubice (expansion)	Pardubice	10,400
Retail Park Třeboň	Třeboň	9,600
Olympia Teplice – retail park	Teplice	8,300

At the end of H1 2026, a total of 130,000 sq m of retail space in projects exceeding 5,000 sq m of leasable area was under construction or undergoing refurbishment. Construction continued at Galerie Pernerka in Pardubice (35,300 sq m) and OC Dornych in Brno (30,700 sq m). Refurbishment works were also underway at the Kotva department store (15,000 sq m) and the van Graaf department store (10,000 sq m).

Construction has begun on the third phase of the Retail Park Ovčáry development in Kolín. Scheduled for completion in December 2026, the project will provide more than 10,000 sq m of retail space, with an Albert hypermarket occupying nearly half of the total leasable area. Construction has also commenced on two retail developments in Klatovy, the larger Importo Retail Centre (11,400 sq m), comprising 21 retail units, and the smaller Retail Park Klatovy (5,020 sq m), with 11 retail units. Building works have also started at S1 Centre Ostrov (7,100 sq m, 13 retail units) and Retail Park Trutnov (5,100 sq m, 14 retail units).

In Q1 2026, investments in retail properties accounted for 9% of the total investment volume. Prime yields remained stable, reaching 4.25% for prime high-street properties in Prague and 5.75% for both premium shopping centres and retail parks.

RENTS

Prime headline rents in the highest-quality retail schemes and the most attractive locations continued to increase. In H1 2026, prime rents in Prague's shopping centres increased to €145–155 per sq m per month. Prime high street rents in Prague reached €210–235 per sq m per month, while prime retail park rents stood at €16–17 per sq m per month.

Prime Rents

HIGH STREET	RETAIL PARKS	SHOPPING CENTRES
€210–235 sq m/month	€16-17 sq m/month	€ 145–155 sq m/month

MARKET NEWS

- The American fashion brand Kenneth Cole New York has entered the European market, choosing Prague for the opening of its first store. The boutique, spanning nearly 200 sq m, opened at the Westfield Chodov shopping centre. A Mango Man boutique also opened there in February. It is unique in the Czech market as the only standalone store dedicated exclusively to the brand's men's collection.
- In April, a boutique belonging to Patek Philippe, one of the world's most respected watchmakers, opened on Pařížská Street. This location is one of only five in all of Europe to hold the official status of a Patek Philippe Boutique.
- The Kotva department store has announced its first tenants. Following its renovation, Italian brands Dolce & Gabbana (luxury fashion), Cipriani (dining), and Eataly (premium Italian food) will open there. Kiton, a brand specialising in men's fashion, is also expected to join them in the future.
- Another well-known fast-food chain, Krispy Kreme, one of the most famous and oldest American chains specialising in doughnuts and coffee, is heading to the Czech Republic. It plans to open its first store in the centre of Prague.
- The Japanese fashion chain Uniqlo is also set to enter the Czech market, opening its first store in the new Prague shopping centre at Palác Hybernia. Spanning approximately 7,700 sq m across four floors, the store is expected to welcome customers no earlier than Q1 2028.
- Danish discount retailer Normal will make its Czech debut in August, opening two stores in Prague. The chain will offer a range of products including cosmetics, toiletries, cleaning supplies, food and beverages.

DEFINITIONS

Stock:

Total completed stock of modern shopping centres, retail parks and outlets above 5,000 sq m of Gross Leasable Area (GLA) , delivered or refurbished since 1992.

New supply:

Completed newly built or refurbished shopping centres, retail parks and outlets above 5,000 sq m of Gross Leasable Area (GLA) that obtained a use permit in the given period and were opened to the public.

Prime headline rent:

Achieved rents in prime shopping centres and high street in unit of approximately 100 sq m, achieved rents in retail parks in units of 1,000 sq m.

If you have any question about our research or you would like some property advice, we would love to hear from you.

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