Czech Investment Market

Q3 2026	A regular investment market update on the Czech real estate market	www.knightfrankprostory.cz/novinky-a-trendy www.knightfrank.com/research

The final quarter of the year is expected to bring a significant acceleration in investment activity, pushing total investment volume above the €3 billion mark. Office assets are set to remain the key driver of the market, while investor appetite for the residential rental sector is also expected to stay strong.

- Current market activity confirms that the return of foreign capital to the Czech investment market remains limited. Domestic investors continue to drive transaction activity, with their confidence in the market underpinning strong investment momentum.

  Prime yields are expected to remain largely stable in the short-term, supported by sustained investor demand for high-quality assets, a limited supply of investment opportunities.

Overview

Q3 2026	Prime Yields
Offices	5.00%
Shopping Centres	5.75%
Retail Parks	5.75%
High Streets	4.25%
BTR	4.00%
Industrial & Logistics	5.00%

CZECH INVESTMENT MARKET

Real estate investment exceeded €720 million in Q3, representing a 92% increase compared with the same period last year.

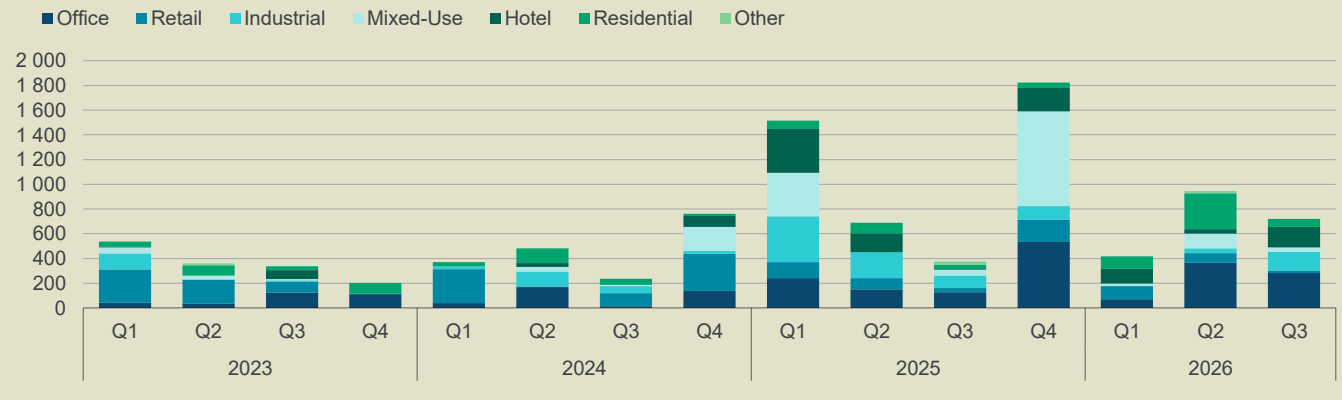
Over the first nine months of 2026, total investment volume surpassed €2.08 billion, which is 19% lower than the volume recorded during the first three quarters of the record-breaking year 2025.

Office assets accounted for the largest share of investment activity in Q3 2026, representing 39% of total volume, followed by hotels at 23% and industrial and logistics properties at 21%, including several sale-and-leaseback transactions.

Domestic investors remained the dominant force in the market, accounting for 90% of all real estate investment activity in the third quarter.

Real Estate Investment Volume

€ million



Source: Knight Frank Research

MAJOR INVESTMENT TRANSACTIONS

The landmark transaction of the third quarter was the acquisition of the Prague Marriott Hotel and the office building Millennium Plaza by the Prime Hotel Assets Fund, managed by J&T Investiční, in partnership with Dosfield.

PPF Real Estate expanded its portfolio with the acquisition of the Telehouse office building in Prague 6.

The company BTL acquired the Explora Business Centre office property in Prague 5 from the Trigea fund.

During the third quarter, Mint Investments signed an agreement to acquire Building A3 within the Rohan City development from Sekyra Group.

**For the purposes of our investment statistics, forward purchase transactions are recorded at signing.*

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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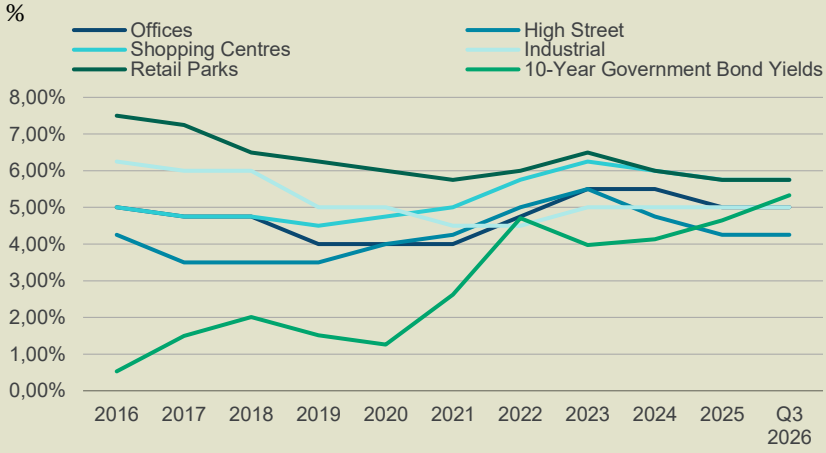


Investment
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Prime yields remained stable across most sectors, with the only notable movement recorded in the residential rental segment, where prime yields compressed slightly to 4.0%.
While the Czech National Bank has kept its key policy rate (the 2-week repo rate) unchanged at 3.75% since June, the European Central Bank raised interest rates by 25 basis points at its September meeting in response to persistent inflationary pressures. According to the ECB's outlook, inflation in the euro area is expected to reach 3.0% in 2026, and market analysts anticipate one further rate hike before year-end.
Rising interest rates are also being reflected in the bond markets. The yield on 10-year Czech government bonds increased to 5.3%, while government bond yields continue to rise across Europe, with German 10-year bond yields currently exceeding 3.5%.

Prime Yields

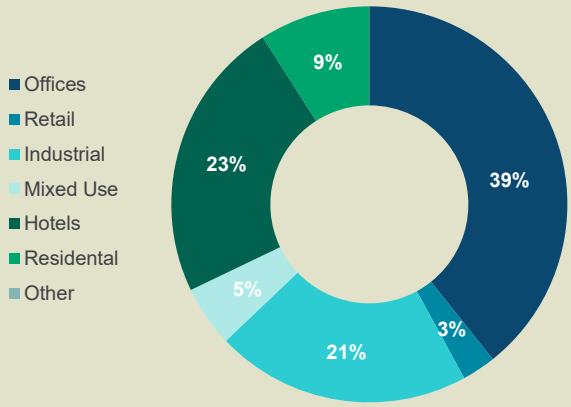
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Source: Knight Frank Research

Investment Volume by Sector

Q3 2026, € million



Source: Knight Frank Research

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