AVISON YOUNG

CEE H1 2026

What's going on in
Real Estate Investment?

Overview

The CEE real estate investment market entered 2026 from a position of **renewed strength**, building on the momentum established throughout the previous year. While aggregate transaction activity across the region has become more differentiated from country to country, the first half of 2026 confirmed that investor confidence in CEE region remains firmly intact.

A defining feature of the current market cycle is the **diversity of investment drivers across individual countries**. Unlike previous years, when a limited number of sectors dominated, 2026 has been characterised by a broader range of opportunities and investment strategies. **Residential** assets emerged as the leading sector in Czechia, **retail** became the dominant force behind Poland's exceptionally strong performance, while **office** properties accounted for the majority of investment volume in both Romania and Slovakia. In Hungary, activity remained balanced across sectors, with retail gaining significant momentum alongside the traditionally strong office market.

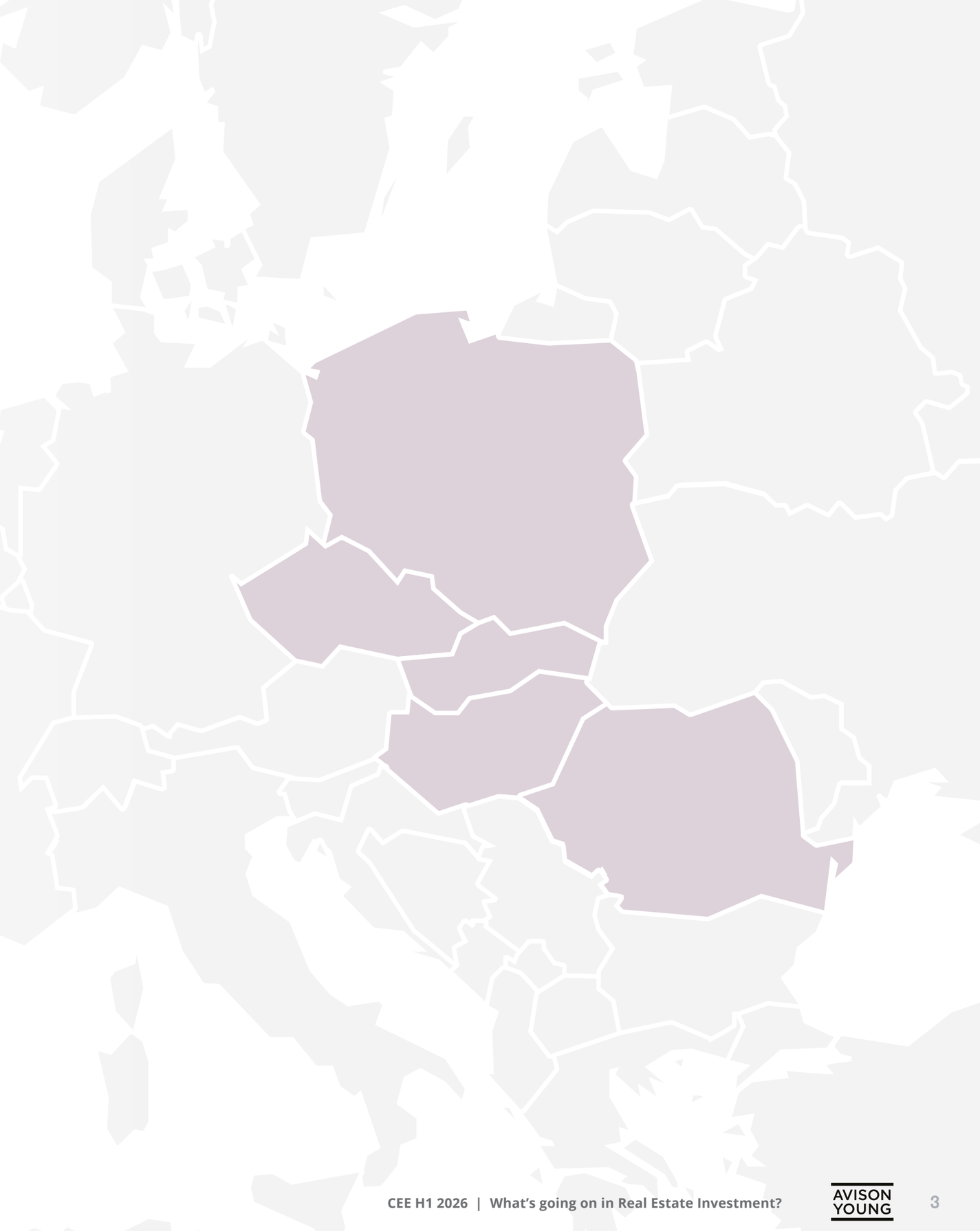
The **growing importance of local and regional capital** continues to reshape the investment landscape. Domestic investors maintained their dominant positions in Czechia, Hungary and Romania, while capital originating from across the CEE region remained highly active in Poland and Slovakia. At the same time, international investors remain attracted by the region's ability to deliver **yields that continue to compare favourably with Western European markets**.

The **narrowing valuation gap between buyers and sellers** has also contributed to improving liquidity across much of the region. In several markets, the **return of core capital** targeting prime assets has become increasingly evident, supported by stabilising financing conditions and a more predictable economic environment.

Portfolio transactions have been particularly important in driving volumes, with several landmark deals completed during the first half of the year across retail, logistics and residential sectors.

Market performance, however, has not been uniform. **Czechia and Slovakia** are both comparing against exceptionally strong results achieved in 2025, naturally leading to **lower headline volumes** this year despite healthy underlying activity. **Romania** recorded a **slower start** to the year, yet the market remains supported by a substantial pipeline of transactions expected to close in the coming months. In contrast, **Poland delivered one of the strongest first-half performances** in its history, while **Hungary continued its recovery trajectory** with transaction volumes significantly exceeding those recorded a year earlier.

Looking ahead, the **outlook for the CEE investment market remains positive**. Investors continue to be attracted by the region's strong economic fundamentals, improving transparency and relative pricing advantages. With several major transactions already underway and sentiment gradually strengthening across all asset classes, transaction activity is expected to accelerate further during the second half of the year. While challenges remain, the overall direction is clear: **CEE continues to strengthen its position** as one of Europe's most attractive and dynamic investment destinations.



1 Major transactions

Czechia

PROPERTY NAME	CITY	SECTOR	PURCHASER	PRICE (€m)
Pisnice residential portfolio	Prague	Residential	WOOD & Company (City-OPF)	185*
Port7	Prague	Office	AFI Europe	130
Na Prikope 14	Prague	Mixed-use	Generali Real Estate Fund	115*
Trimaran & City Element	Prague	Office	Axelor (Aurelia fund)	85*
Vienna House Andel's Prague	Prague	Hotel	Cimex Group	70*

*estimation

Hungary

PROPERTY NAME	CITY	SECTOR	PURCHASER	PRICE (€m)
Árkád Szeged	Szeged	Retail	Bonitas	107.5
Capital Square	Budapest	Office	WING	63
Park Center Portfolio	various	Retail	Granit Asset Management	55
Millennium Tower I	Budapest	Office	Wizz Air	42
Szabadsag 15	Budapest	Other	City Land Investment	31

Poland

PROPERTY NAME	CITY	SECTOR	PURCHASER	PRICE (€m)
Resi4Rent portfolio	across Poland	Residential	Vantage Development	575
Posnania (70% share)	Poznań	Retail	Trigea Real Estate Fund	370
SIM Portfolio	Szczecin, Sękocin, Ruda Śląska, Warsaw, Poznań	Industrial	Ares Management Corporation	194
Raben Portfolio (S&LB)	Poznań, Kraków, Lublin, Rzeszów, Kalisz	Industrial	WP Carey	167
Auchan Portfolio - Auchan (S&LB)	Warsaw (Łomianki), Białystok, Szczecin, Wałbrzych, Częstochowa, Gliwice, Legnica, Sosnowiec	Retail	Adventum (Shopper Park Plus)	110

Romania

PROPERTY NAME	CITY	SECTOR	PURCHASER	PRICE (€m)
@Expo	Bucharest	Office building	Mondo Invest	52
Nest Retail Parks	Miercurea Ciuc, Moinesti	Retail parks	Star Capital Finance	40
Record Park	Cluj Napoca	Office building	BT Properties	39
Equilibrium 2	Bucharest	Office building	Magyar Posta Takarék Real Estate Investment Fund	37
GP Retail Plaza	Hunedoara	Retail parks	M Core	8

Slovakia

PROPERTY NAME	CITY	SECTOR	PURCHASER	PRICE (€m)
The Mill	Bratislava (Mlynske nivy)	Office	REICO LONG LEASE (Erste AM / Ceska sporitelna)	80*
Park Inn by Radisson Danube	Bratislava	Hotel	Hotel Property Bratislava s.r.o. (Czech, iQ Hospitality-linked)	40*
Business Centre Tesla 1 (BCT 1)	Kosice	Office	ZFP UP Premium SICAV (Avant IS)	25*
Former ECCO production facility	Martin	Industrial	WIA Slovakia (Hyundai WIA)	14*
CSOB office building	Kosice (city centre)	Office	Cresco Real Estate (reported, unconfirmed)	12*

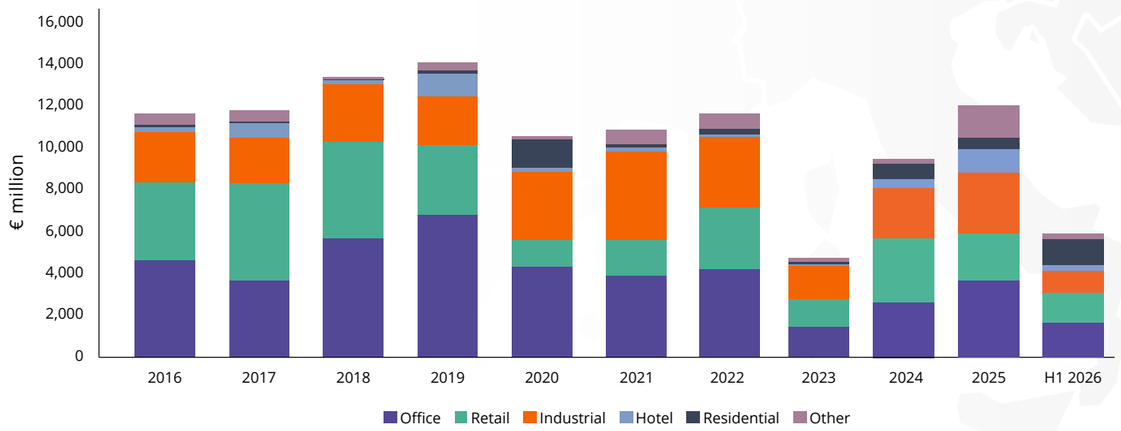
*estimation

2 CEE in numbers

€ 5.5 bn
total volume CEE

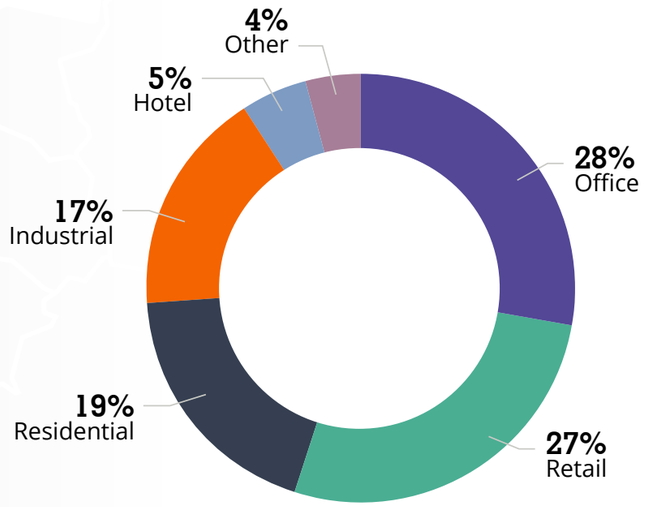
↑ +8% Y-O-Y

Investment volume shared by sector over the years



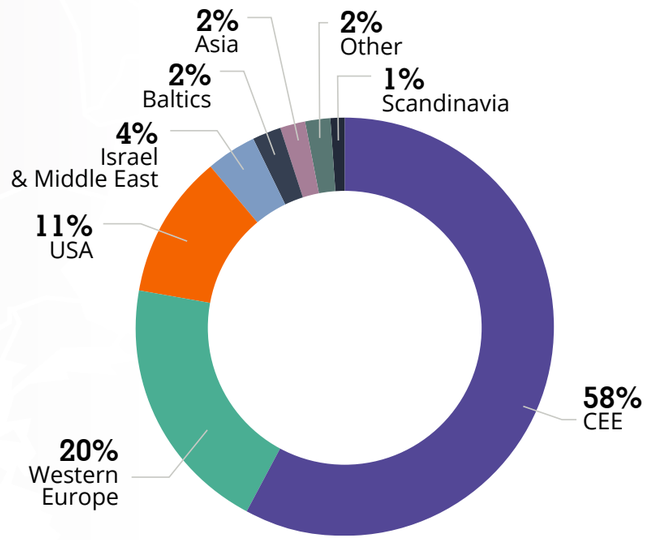
Source: Avison Young

Investment volume shared by sector (H1 2026)



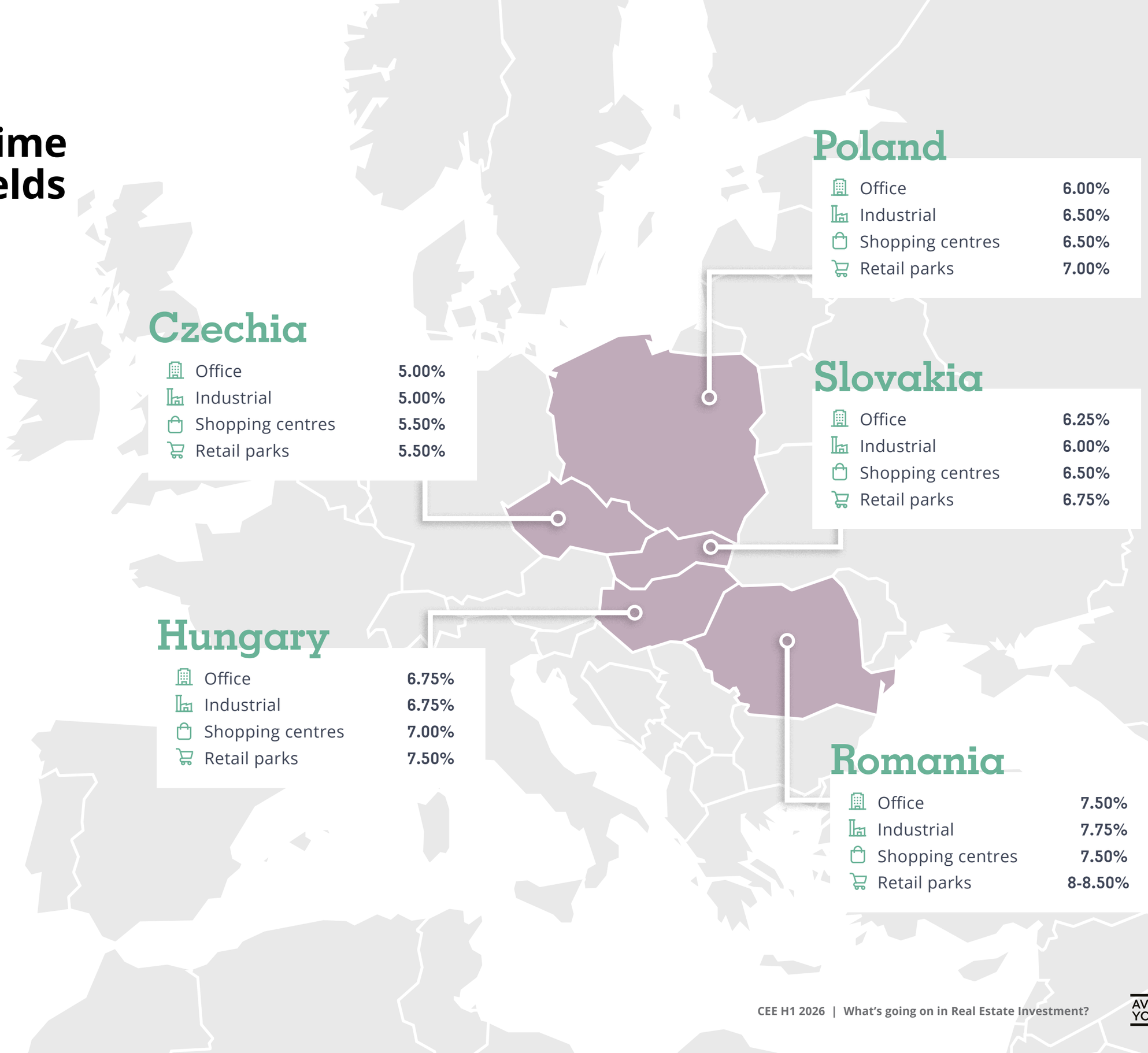
Source: Avison Young

Investor activity by origin (H1 2026)



Source: Avison Young

3 Prime yields



Czechia

Office	5.00%
Industrial	5.00%
Shopping centres	5.50%
Retail parks	5.50%

Poland

Office	6.00%
Industrial	6.50%
Shopping centres	6.50%
Retail parks	7.00%

Slovakia

Office	6.25%
Industrial	6.00%
Shopping centres	6.50%
Retail parks	6.75%

Hungary

Office	6.75%
Industrial	6.75%
Shopping centres	7.00%
Retail parks	7.50%

Romania

Office	7.50%
Industrial	7.75%
Shopping centres	7.50%
Retail parks	8-8.50%

Czechia

Local market overview

Volumes normalize from a record base
Total H1 2026 volume reached approximately €1.38 billion, a 34% year-on-year decline against an exceptional 2025 comparator. Czech capital again drove 70% of transactions, similar to the 76% recorded a year earlier.

Residential leads the market for the first time
Residential took 35% of volume and more than doubled year-on-year, led by the 760-apartment Písnice portfolio acquired by WOOD & Company - the largest single transaction of the year Prime BTR now prices at 4.00%.

Offices the only other sector to grow
Office investment reached €387 million, 7% ahead of H1 2025 and entirely Prague-based. Skanska's €130 million divestment of Port7 to AFI Europe led the half, followed by Trimaran and City Element on Pankrác and the T-Mobile headquarters. Prime office yields compressed 25 basis points to 5.00%.

Industrial all but disappears
The leading asset class of 2025 fell from 26% of volume to 3%, a 93% decline. The constraint is availability of investable product rather than occupier demand; prime industrial yields held firm at 5.00%.

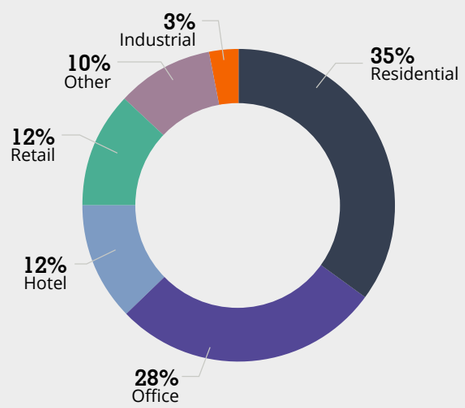
Retail holds its share as pricing tightens
Retail steadied at 11% of volume. Novodvorská Plaza was the only shopping center to trade nationally, joined by five regional retail parks. Prime shopping center yields compressed 75 basis points to 5.50% and retail parks 50 basis points to 5.50%.

Capital mix shifts; full year approaching €3 billion
Hotels eased to 12% from 23%, with the Vienna House Andel's and the Augustine both trading, while CPI Europe's disposal of Na Příkopě 14 to Generali established a distinct mixed-use segment. Israeli and Italian capital displaced US flows. With offices projected to exceed half of nationwide volume, full-year 2026 should approach €3 billion.

€ 1.4 bn
H1 2026 volume

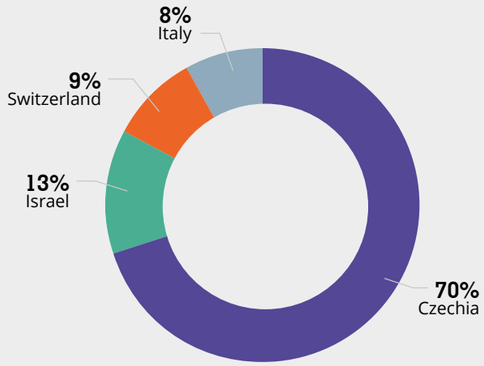
↓ **-34%**
Y-O-Y

Investment volume shared by sector
(H1 2026)



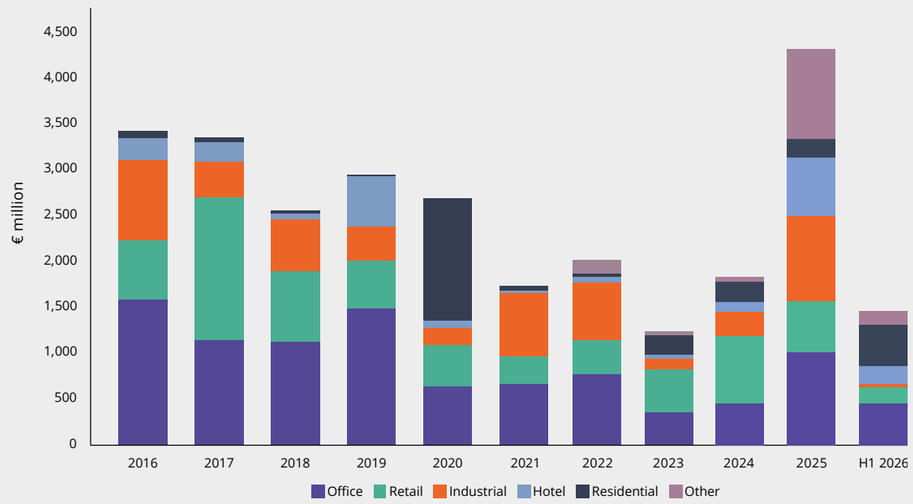
Source: Avison Young

Investor activity by origin
(H1 2026)



Source: Avison Young

Investment volume shared by sector over the years



Source: Avison Young

Hungary

Local market overview

In the first half of 2026, the Hungarian real estate investment market continued its **upwards trajectory that began in 2025**. The total transaction volume exceeded €560 million, a 75% increase YoY with some €477 million of yielding investment transactions.

Hungarian investors remained the most active source of capital with a share of wallet above 80%. However, the market is witnessing now an **increased level of attention from foreign capital** following the April parliamentary elections and the change of majority. Offices remained the most widely traded asset class (41%), but retail had a big resurgence representing 36% of the total volume.

The investment volume in retail was significantly boosted by the transaction of Árkád Szeged, the largest shopping centre in Hungary, outside of Budapest. The asset was acquired by the Bonitás Hungarian family office. The main office transactions were two disposals of CA Immo; the 34,000 sqm Capital Square on the Váci Corridor was sold to WING and Millennium Tower I, south of the CBD, was sold to Wizzair, the main occupier of the building.

While there were no hospitality deals taking place in H1, several ongoing transactions are due to close in the second semester.

The Hungarian real estate investment market has been gaining momentum since the end of 2025. **The change of government** in the April general elections has put Hungary into the spotlight, and the positive investor sentiment is expected to translate into an **increased activity from international investors.**

Low inflation at a 10-year low of 1.20% by the summer, despite the energy price shock and drought conditions in Europe, and the strengthening of the forint have opened the way for a significant rate easing cycle by the central bank with expectations now at a 4.75% level by end of 2026 (down from 6.25% at the start of the year). This is a **very positive trend for the Hungarian economy** in the global context of increasing interest rates globally and towards the conversion policy as the new government has committed to a 2030 adoption of the Euro.

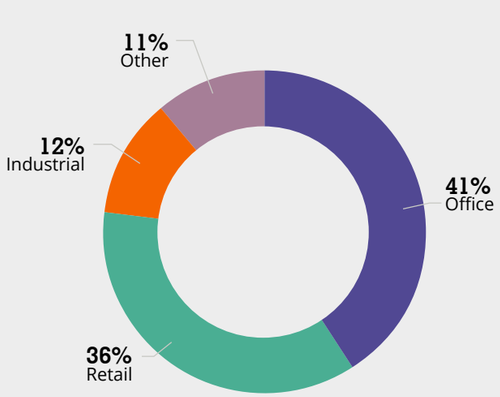
One of the major uncertainties on the real estate market is the move of the state-related entities into the newly delivered built to suit office complexes. These office buildings were bought by the State under the previous government in transactions that the current administration are putting into question. While some premises have already been taken over, others could end up back on the speculative market. Some 70,000 sqm are in question, a significant number when compared to the current vacancy of 545,000 sqm (12.20% of the total stock).

The robust transaction pipeline and intentions of some long-standing owners to dispose of assets will offer transaction opportunities to keener international capital. Prime office assets, logistic big boxes and hospitality assets are all part of the transaction mix for the second half.

The new government is considering plans for handling of the housing shortage and the utilization of brownfield areas (often unused railway interchange) and we expect the residential market to be reshaped with new programmes for affordable housing.

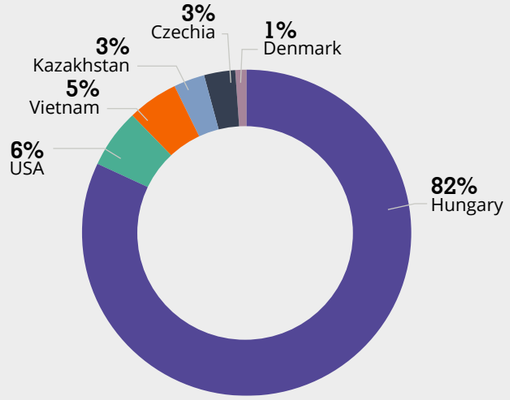
€ 562 m ↑ **+75%**
H1 2026 volume **Y-O-Y**

Investment volume shared by sector (H1 2026)



Source: Avison Young

Investor activity by origin (H1 2026)



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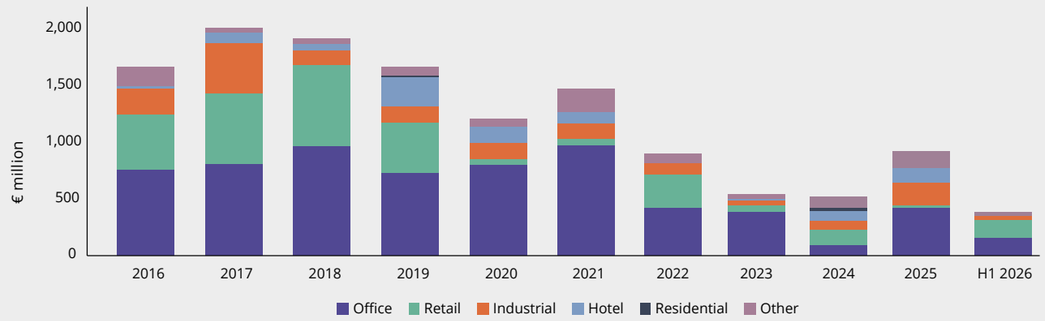
Investment volume shared by sector over the years



Source: Avison Young

Poland

Local market overview

The beginning of 2026 was highly encouraging, with H1 transaction volume aligning with the **highest levels recorded in Poland in the past decade,** with a total investment volume of €3 billion across 66 transactions.

With a 34% share of total investment volume, the Polish **retail sector has emerged as the driving force** behind the anticipated market recovery. The sector recorded its strongest first-half investment volume since 2018 Notably, 5 major deals, including the landmark sale of a 70% stake in the Posnania shopping centre, accounted for 73% of the sector's total volume. All of these transactions involved **capital originating from the CEE region**. The growing maturity of the Polish retail market is contributing to an **increasing number of portfolio transactions.** Moreover, its diverse range of investment opportunities attracts a broad spectrum of capital, from smaller domestic investors to large international institutions, underpinning long-term growth prospects.

In H1 2026, the industrial sector accounted for 26% of total investment market volume, reaching €782 million. This strong performance was largely driven by the completion of two significant portfolio transactions: the acquisition of the SIM portfolio by Ares Management and the sale of the Raben portfolio to W. P. Carey in a sale & leaseback structure. These deals signal a **gradual recovery in portfolio investment activity**, providing meaningful support to overall transaction volumes.

The pricing gap between buyers and sellers continues to narrow, translating into improving transaction activity, with **foreign capital playing a leading role**. Notably, US-based investors accounted for over 60% of industrial investment volume. Investors' appetite extended across the country, with nearly 40% of the volume recorded in regional locations outside the Big Five markets.

The Polish office investment market continues to attract strong interest from both international and domestic investors. In H1 2026, a total of 23 office assets changed hands, including 5 prime office transactions. Notably, **Polish investors accounted for approximately 50% of the capital deployed in the sector,** acquiring 3 out of 5 prime properties traded during this period, including the largest office transactions completed in H1 2026 - acquisition of Central Point.

In PRS sector, Resi4Rent sold 18 assets to Vantage Development for €575 million, making it the l**argest transaction recorded in the analysed period and the biggest investment deal completed in Poland since 2022**. The transaction marks a defining moment for Poland's institutional rental sector, highlighting the growing maturity of the PRS market and confirming the strength of its underlying demand fundamentals.

A **gradual return of core investors targeting prime assets** is becoming increasingly evident. As a result, the **average transaction size has increased significantly**, with liquidity lower than during the same period in 2025. Looking ahead, 2026 is expected to outperform the previous year, supported by positive investor sentiment, strong economic fundamentals, and a robust investment pipeline.

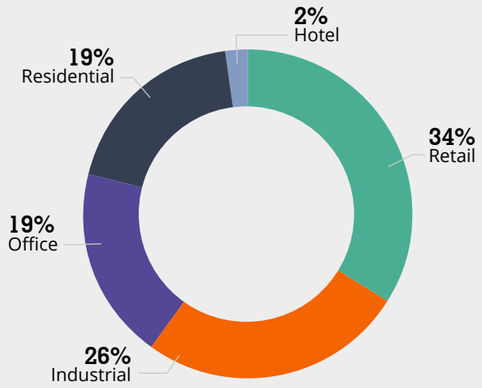
Capital from the CEE region, including Czechia, Hungary, and also from the Baltic countries, remains strongly present in Poland. We are also beginning to see **early signs of renewed activity from Asian investors.**

As previously observed, investor interest from **Western Europe** is increasing, particularly among **French players,** who are actively exploring opportunities across various asset classes. Polish investment market is more liquid than in Western Europe, with smaller pricing gap among sellers and potential buyers.

€ 3.0 bn
H1 2026 volume

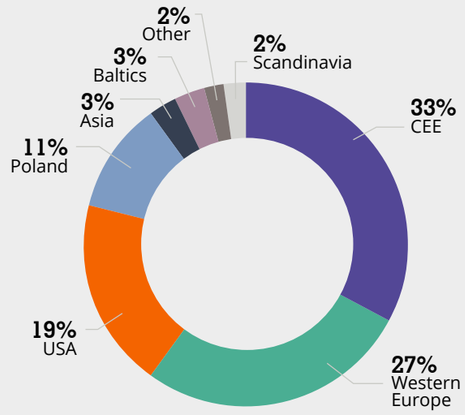
↑ **+76%**
Y-O-Y

Investment volume shared by sector
(H1 2026)



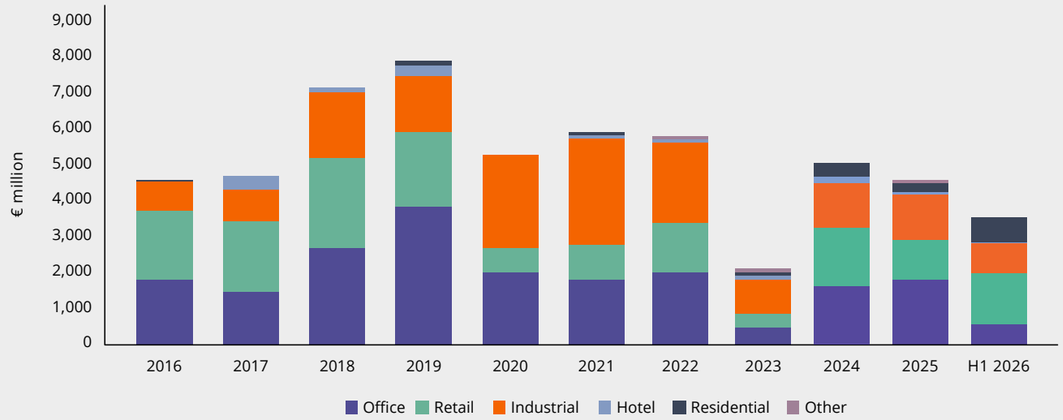
Source: Avison Young

Investor activity by origin*
(H1 2026)



Source: Avison Young
**excluding confidential buyers*

Investment volume shared by sector
over the years



Source: Avison Young

Romania

Local market overview

Despite only €269 million being transacted in Romania during H1 2026, marking a 31% year-on-year decline, the market is **poised for a strong rebound**, with investment volume expected to **triple by year-end**. This forecast is underpinned by at least two large transactions that together are expected to add more than €500 million to total investment volume, while several smaller deals are also progressing, with an increasing likelihood of completion before the end of 2026. Notably, one of these transactions has already closed, a €282 million retail portfolio acquisition, lending further support to our year-end forecast.

Investment activity started the year on a strong note, supported by several office investment transactions that had been negotiated well in advance during the previous year. Overall, office assets accounted for 64% of the investment volume recorded during the first half of the year, with retail assets making up the remaining 36%. Notably, office and retail were the only asset classes to record investment transactions in Romania during H1 2026. However, the **asset class distribution is expected to become more balanced** by year-end, as the market continues to anticipate the sale of the P3 Bucharest A1 logistic park, a transaction valued at approximately €250 million.

A trend that began several years ago has continued to shape the Romanian investment market, with **local capital playing a major role** in investment activity. Accordingly, in H1 2026, domestic investors accounted for approximately 36% of the total investment volume, followed by CEE investors, primarily from Czechia and Hungary.

Investor interest was evenly split between Bucharest and the rest of the country during H1 2026. This **balanced geographical distribution** is expected to persist until year-end, unless the market sees the completion of ongoing transactions involving office assets or the hospitality sector in Bucharest, which would increase the capital's share of annual investment volume.

Romania remains on investors' radar, among **both institutional and private investors**, thanks to its attractive yield gap compared with other CEE countries, a competitive advantage that extends across all major real estate asset classes. At the end of H1 2026, prime yields remained unchanged from the end of 2025, standing at 7.50% for both office and shopping centre assets and 7.75% for industrial assets. The only exception was the retail park segment, where a slight yield decompression was observed.

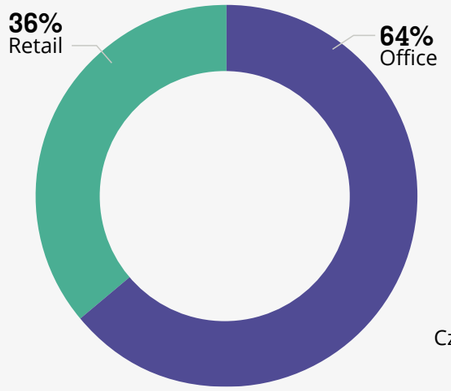
Despite the subdued investment activity recorded in the first half of the year, Romania continues to offer **one of the most compelling investment opportunities in the CEE region**.

The current market presents a rare window of opportunity, with **prime yields remaining at historically attractive levels** relative to neighboring markets, allowing investors to secure assets at pricing conditions that may not be available in the coming years.

With several large transactions anticipated to close before year-end, the Romanian investment market is **well positioned to regain momentum** and reinforce its position as one of the region's most attractive investment destinations.

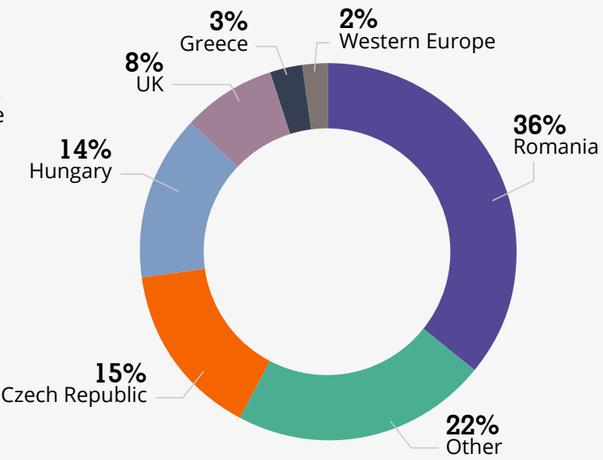
€ 269 m
H1 2026 volume
↓ **-31%** Y-O-Y

Investment volume shared by sector (H1 2026)



Source: Avison Young

Investor activity by origin (H1 2026)



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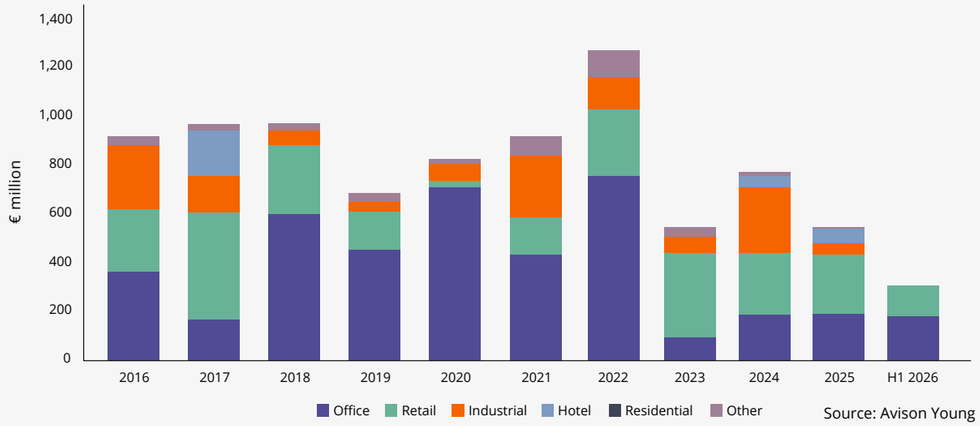
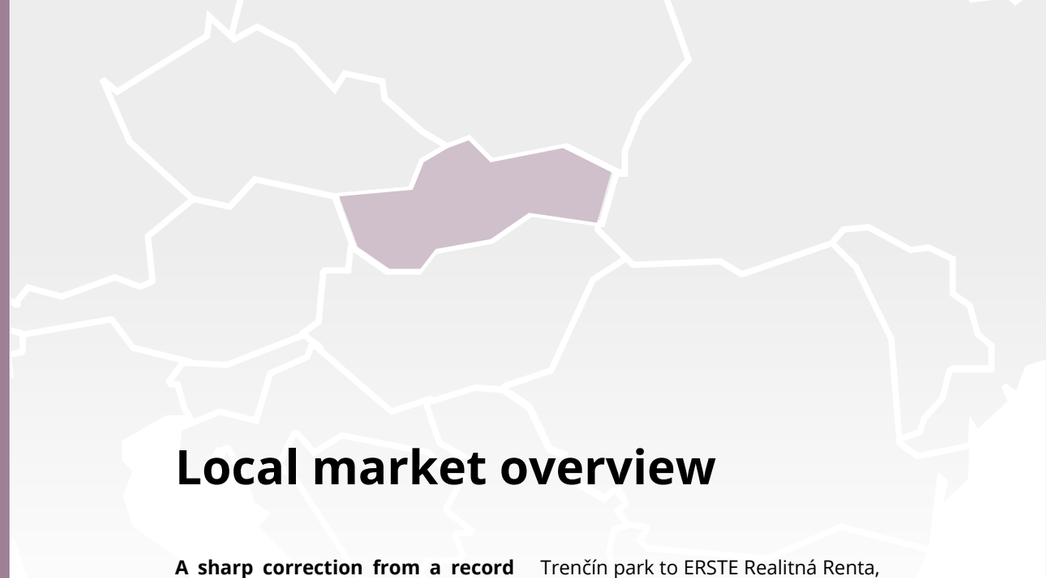
Investment volume shared by sector over the years



Source: Avison Young

Slovakia



Local market overview

A sharp correction from a record half
Volumes fell 58% year-on-year to approximately €225 million across ten transactions, against the strongest half in modern Slovak history.

Offices take over the market
Office investment rose almost fourfold to 66% of volume from 7% a year earlier. Immocap's sale of The Mill in Bratislava, a 26,732 sqm building anchored by Henkel, to REICO LONG LEASE led the half, with two further office trades completing in Košice.

Regional cities carry the volume
Five of ten transactions completed outside Bratislava - in Košice, Žilina, Martin, Trenčín, and Revúca - an unusual broadening for a market normally concentrated in the capital, reflecting state-driven and owner-occupier demand. The Slovak state acquired the Euroterrace building in Žilina for €11.4 million.

Industrial and retail near-absent
Industrial fell 93% to 10% of volume across two transactions: ARETE's Trenčín park to ERSTE Realitná Renta, and the former ECCO plant in Martin to Hyundai WIA. Retail fell 94% to a single deal, the OC Point retail park in Revúca.

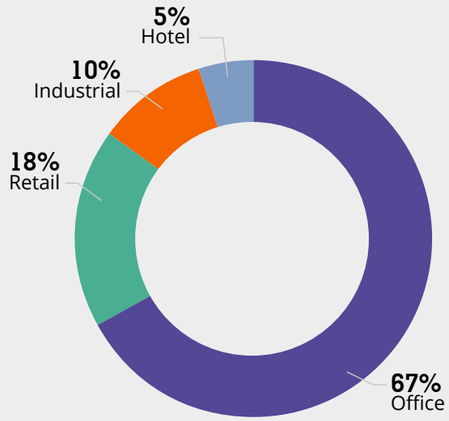
Hotels return after several years
The 240-room Park Inn by Radisson Danube in Bratislava passed to Czech ownership, accounting for 19% of the transaction volume. Hospitality has historically been among Slovakia's least traded asset classes, and the transaction provides scarce pricing evidence for the segment.

Czech capital dominant; yields stable
Czech investors provided 71% of volume and concluded the largest transactions, with Slovak capital at 23% and Asian at 6% - a clear shift from the balanced CEE and Western European split of 2025. Office, industrial and shopping center yields were unchanged year-on-year. Several sizeable transactions are in the sale process, though the full year will fall well short of 2025's almost €1 billion.

€ 220 m
H1 2026 volume

-59%
Y-O-Y

Investment volume shared by sector
(H1 2026)



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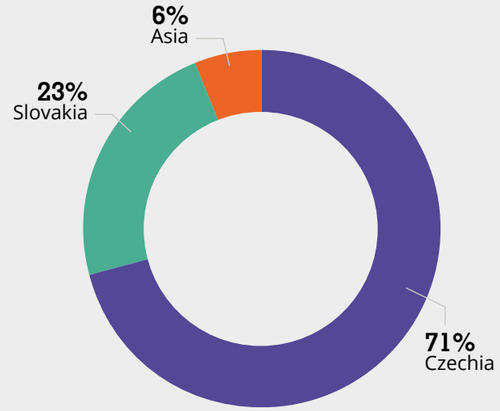
Investor activity by origin
(H1 2026)



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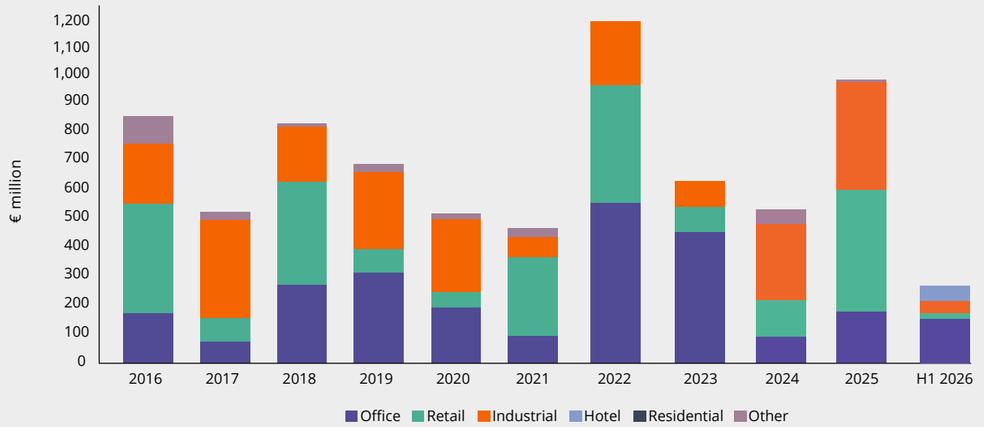
Investment volume shared by sector over the years



Source: Avison Young

Contacts

Czechia & Slovakia

Ryan Wray MRICS
Principal, Managing Director - Czechia
ryan.wray@avisonyoung.com
+420 725 816 176

Hungary

Benjamin Perez-Ellischewitz MRICS
Principal, Capital Markets Group - Hungary
benjamin.perez-ellischewitz@avisonyoung.com
+36 70 333 1818

Poland

Bartlomiej Krzyzak
Co-Head of Investment Department
bartlomiej.krzyzak@avisonyoung.com
+48 604 410 076

Marcin Purgal MRICS
Co-Head of Investment Department
marcin.purgal@avisonyoung.com
+48 668 382 482

Romania

David Canta
Principal, Managing Director - Romania
david.canta@avisonyoung.com
+40 727 737 894

Michal Cwiklinski MRICS
Principal, Managing Director for EMEA Region
michal.cwiklinski@avisonyoung.com
+48 605 163 351

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