

MARKET FUNDAMENTALS

	YoY Chg	12-Month Forecast
166,200 SQ M	▲	▲
Take-Up Q3 2026		
€181 MILLION	▼	▲
Investment Volume Q3 2026		
4.85%	=	=
Prime Yield High Street		

ECONOMIC INDICATORS

	YoY Chg	12-Month Forecast
0.6%	▼	▲
GDP Growth YoY 2026 (F)		
6.1%	▼	▼
Unemployment Rate 2026		
4.6%	▲	▼
Inflation Rate (HICP) September 2026		

Sources: Moody's Analytics, Eurostat

ECONOMIC GROWTH REVISED DOWN

Moody's has lowered its outlook for the Belgian economy compared to the previous quarter. **GDP growth is now forecast at 0.6% in 2026**, against 0.7% last quarter. The expected recovery in 2027 is also softer, at 1.0% instead of 1.3%. Belgium continues to grow more slowly than the euro zone, where Moody's expects 1.0% in 2026 and 1.5% in 2027.

Recent figures confirm this slowdown. The Belgian economy stagnated in the second quarter, with GDP flat compared to the previous quarter and 0.5% higher than a year earlier (NBB). **Household consumption remained the main support**, rising by 0.4%, while business investment and industrial activity declined. Stronger exports helped to offset this slowdown. Public finances also remain under pressure, with Moody's Ratings expecting a budget deficit of 5.3% of GDP in 2026.

Unemployment is expected to **remain broadly stable** at 6.1% in 2026. The gap between the regions remains large, ranging from 3.3% in Flanders to 14.6% in Brussels.

ECB RAISES RATES A SECOND TIME

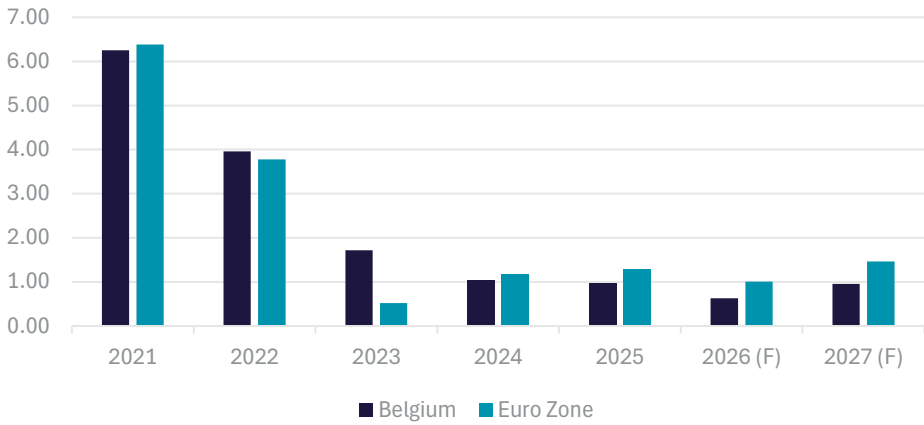
In September, the **ECB raised its key interest rates by 25 basis points** for the second time this year, taking the deposit rate to 2.50%. The **ECB expects inflation to stay above its 2% target until 2028**. Mid October, ECB President Christine Lagarde said she sees no signs yet that higher energy prices are spreading to the rest of the economy, but that the bank is watching this closely. A further rate increase remains likely, with markets expecting a third hike later this year.

Belgian **10-year government bond yields rose to 4.1% at the end of September 2026**, around 60 basis points above June. German bond yields stood at 3.5% and 3-month Euribor at 2.6%, impacting financing terms.

INFLATION RISES AGAIN ON ENERGY PRICES

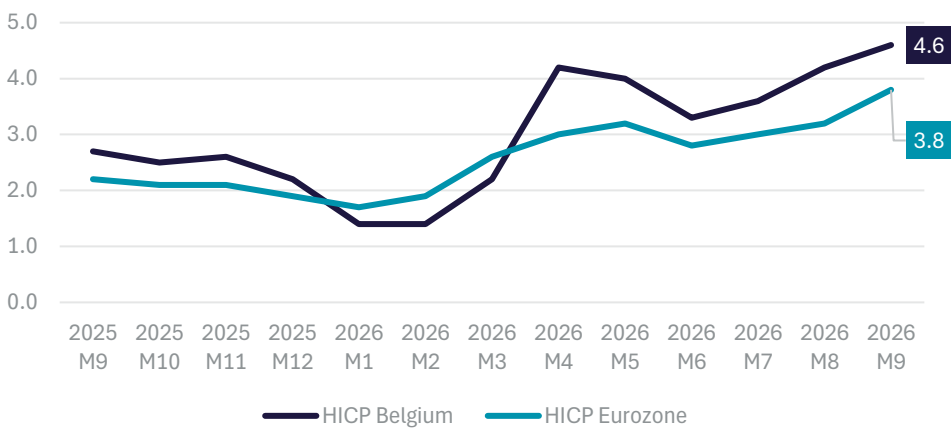
Inflation has picked up again after easing in June. **Belgian HICP inflation rose to 4.6% in September**, up from 3.3% in June. Energy is the main driver, following the energy shock caused by the conflicts in Ukraine and the Middle East. Moody's now forecasts average Belgian HICP inflation of 3.7% in 2026, up from 3.4% last quarter.

GDP GROWTH (in % of change prev. year)



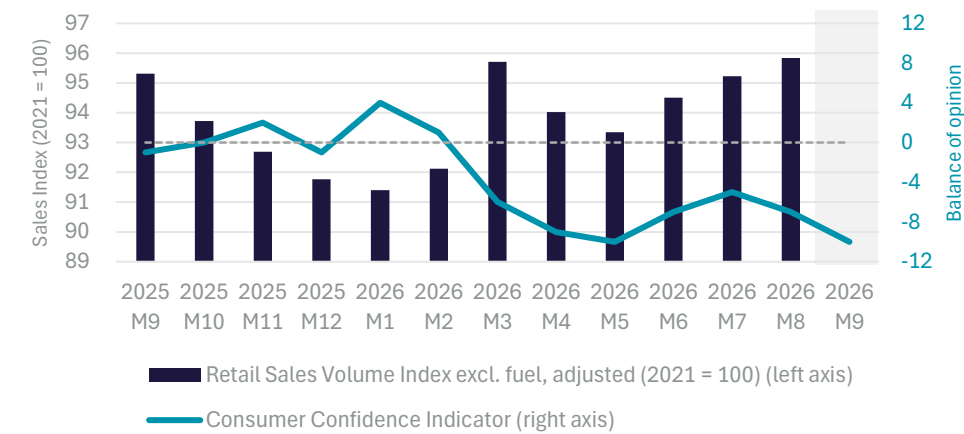
Source: Moody's Analytics (baseline scenario - October 2026)

INFLATION RATE (HICP in % of change)



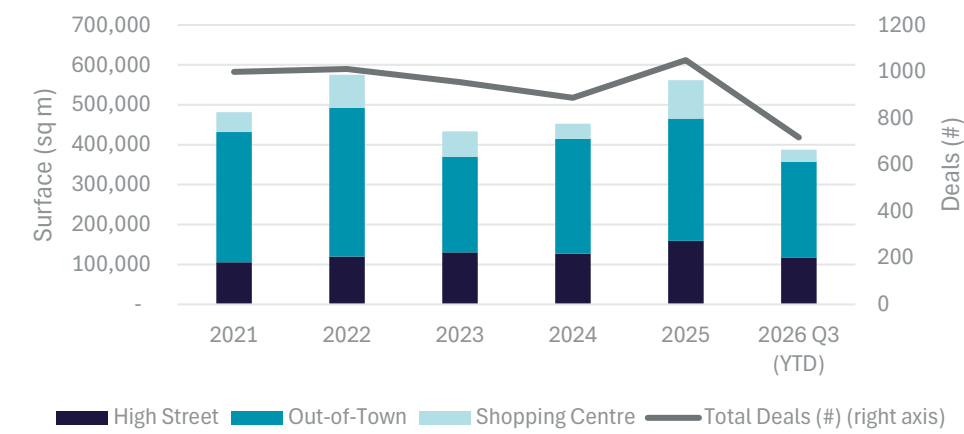
Source: Eurostat

SALES VOLUME & CONSUMER CONFIDENCE



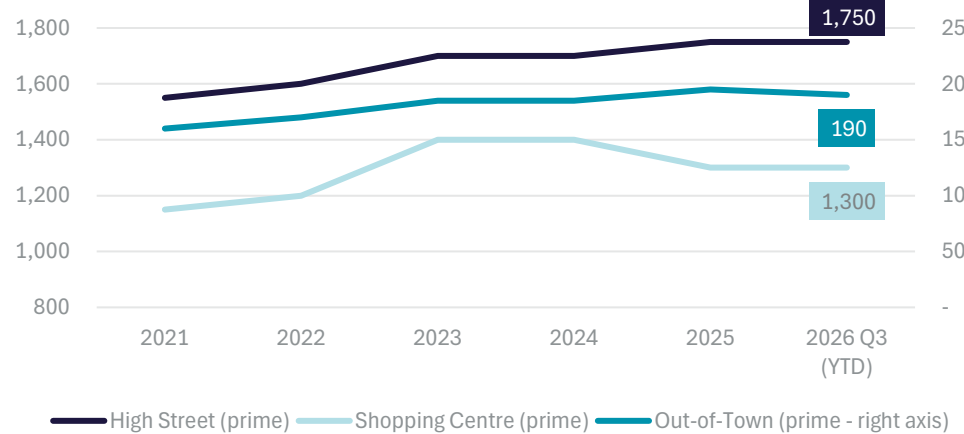
Sources: National Bank of Belgium (NBB), Statbel

TAKE-UP VOLUME BY SEGMENT



Source: Cushman & Wakefield

PRIME RENTS BY SEGMENT (EUR/SQ M/YEAR)



Source: Cushman & Wakefield

CONSUMERS MORE CAUTIOUS, BUT SPENDING IMPROVES

Belgian consumers became more pessimistic over the third quarter. The NBB consumer confidence indicator fell from -5 in July to -10 in September, back to its lowest level of the year. Households are more worried about the economy and expect prices to rise again, after a period of easing in the spring. Concern about unemployment also remains high.

Shoppers, however, kept spending. Retail sales volumes excluding fuel rose by 1.9% in July and 1.3% in August compared with a year earlier (figures adjusted for working days). Clothing and footwear stood out, with volumes up by around 5% in August. Fuel sales rose sharply in value but not as sharp in volume, which reflects higher prices rather than stronger demand. September figures are not yet available.

OUT-OF-TOWN DRIVES TAKE-UP

Retail take-up recorded **~166,200 sq m of space in Q3 2026 across 219 transactions**. This is 37% more than in the same quarter last year and 36% more than in Q2. Over the first nine months, take-up reached **~388,000 sq m**, around 16% ahead of 2025.

Out-of-town retail accounted for 70% of all space let this quarter, around twice the level of Q3 2025. A large part of this came from the commercialisation of former Makro sites, which have been repositioned into new retail destinations. Together they accounted for **~57,000 sq m**, or a third of the quarter's total. Colos took the two largest units, of **~19,200 sq m** and **~13,900 sq m**, followed by Brico Planit with **~8,100 sq m**. Albert Heijn, Delhaize, Jumbo and Colruyt Professionals also signed for space. Without these sites, take-up would have been 10% lower than a year ago. More lettings on these sites are expected, which will positively impact next quarter's take-up as well.

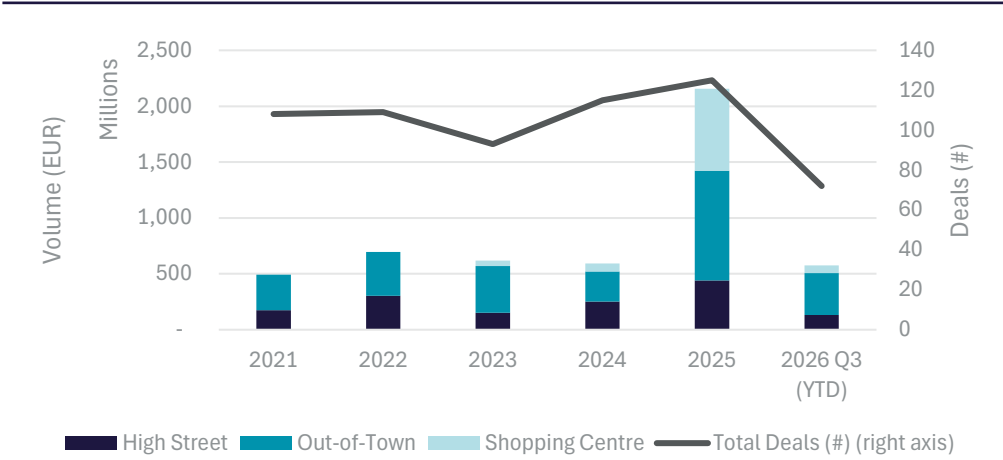
High streets were also busy, with 142 transactions and 53% more space than a year earlier in Q3. The largest lettings were H&M on Avenue Louise in Brussels (**~2,500 sq m**), Mango in Ostend (**~1,900 sq m**) and Sports Direct in Leuven (**~1,600 sq m**). **Shopping centres** were quieter this quarter, with **~7,500 sq m** let, but the HalfPrice signing in multiple Cora centres will give shopping centre take-up a strong boost in Q4. Wijnegem Shopping was the most active centre, with eight new lettings including Zara Home.

Demand for large stores has clearly returned. Twelve lettings were above 2,500 sq m this quarter alone. With 18 such deals so far, 2026 already counts more large lettings than any full year since 2022. Several **new names** will also open, or already opened, their doors, including Smyths Toys, La Patate and Sephora.

OUTLOOK

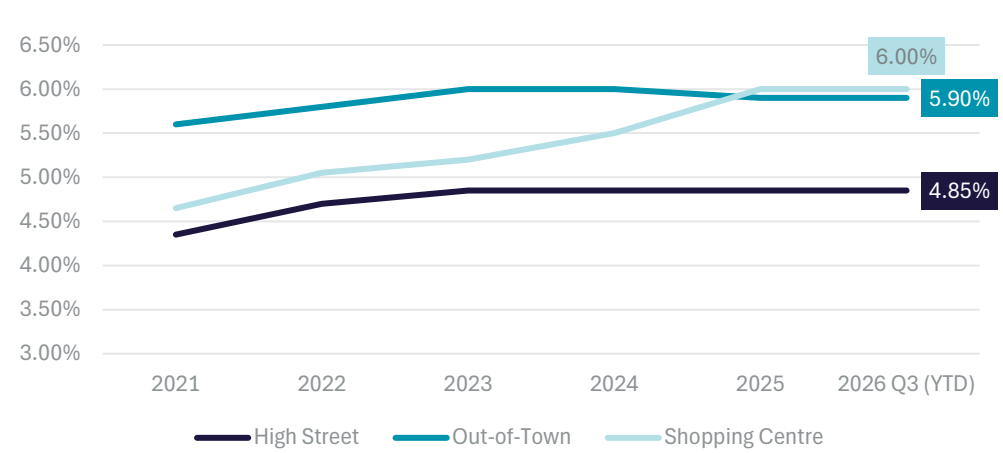
- **Economic growth** is expected to remain soft at 0.6% in 2026, with a slower recovery to 1.0% in 2027.
- **Inflation** is expected to stay well above target, with HICP at 4.6% in September and a 3.7% average forecast for 2026.
- **Financing conditions** are expected to tighten further, following two ECB rate increases and a 60 basis point rise in Belgian 10-year bond yields between June and September.
- **Consumer spending** has held despite low confidence. Its further direction will depend on the wider economic climate in the coming months.
- **Take-up** is expected to remain healthy, supported by the further commercialisation of the former Cora centres, the Makro sites and the pre-letting of Broeklin Brussels.
- The full year **investment volume** depends on further deals completing before the end of 2026. Retail is still expected to close the year as one of the strongest asset classes in terms of regular transaction activity.

INVESTMENT VOLUME BY SEGMENT (EUR)



Source: Cushman & Wakefield

PRIME YIELDS BY SEGMENT



Source: Cushman & Wakefield

KEY OCCUPIER TRANSACTIONS Q3 2026

PROPERTY	SEGMENT	OCCUPIER	GLA (SQ M)	TYPE
Mechelsesteenweg 93, Dendermonde	Out-of-Town	Lidl	2,426	Letting
Kapellestraat 76, Ostend	High Street	Mango	1,900	Letting
Wijnegem Shopping	Shopping Centre	Sissy Boy	570	Letting

KEY INVESTMENT TRANSACTIONS Q3 2026

PROPERTY	SEGMENT	SELLER / BUYER	GLA (SQ M)	PRICE (MEUR)
Ninovita, Ninove	Out-of-Town	Redevco / Roca Invest	14,613	27.3
Inno Ghent	High Street	Redevco / Private	9,700	~23
Hoogstraat 179, Zaventem (Albert Heijn)	Out-of-Town	Private / Private	2,000	~10

Transactions in the table include key transactions in the market, and are not necessarily closed by Cushman & Wakefield.

PRIME RENTS REMAINED AT A STABLE TRAJECTORY

Prime rents were unchanged in Q3 2026, at €1,750/sq m/year on the high street, €1,300/sq m/year in shopping centres and €190/sq m/year out-of-town. No transaction this quarter tested these levels on the main shopping streets, and the limited availability of prime units continues to support rents.

INVESTMENT SLOWS WITHOUT MEGA DEAL

Investors spent ~€181 million on Belgian retail property in Q3 2026, across 22 transactions. This is 31% less than in Q2. Compared to Q3 2025, the figures are lower, but last year included the €600 million (est.) sale of the Cora/Galimmo portfolio. Without that deal, volume was 26% lower. Over the first nine months, investment reached ~€576 million.

Out-of-town retail attracted almost ¾ of the volume in Q3. The largest deals were the sale of **Ninovita in Ninove** to Roca Invest (~€27 million) and **Winkelpark N60 in Oudenaarde** to RVM Invest (~€27 million). On the high street, the **Inno building on Veldstraat in Ghent** was sold to private investors for ~€23 million. Redevco was the most active seller, with three sales totalling ~€63 million. All buyers were Belgian, mainly family offices, private investors and investment funds. Looking ahead, the sale of retail park De Mael in Bruges for ~€49 million has been agreed and is expected to complete in 2027.

NO CHANGES IN PRIME YIELDS

Prime yields remained stable in Q3 2026, at 4.85% on the high street, 5.90% out-of-town and 6.00% in shopping centres.

DEFINITIONS

- **Take-up:** total gross lettable area (GLA) in sq m of new occupier transactions, including commercial, ancillary and storage space, but excluding pop-ups, renewals and pre-letting transactions without valid permits.
- **Prime rent:** consistently achievable headline rent for a high-quality, well-located, high-specification unit of standard size, excluding rental incentives.
- **Prime yield:** consistently achievable gross initial yield for a grade A property, fully let on a commercial lease to a strong covenant in a prime location.

ANNECHIEEN VEULEMANS

Associate Director | Research
annechien.veulemans@cushwake.com

JEAN BAHEUX

Int. Partner | Head of Retail Agency
jean.baheux@cushwake.com

VICTORIA TANRET

Partner | Head of Capital Markets Retail
victoria.tanret@cushwake.com

GREGORY LAMARCHE MRICS

Partner | Head of Valuations & Advisory
gregory.lamarche@cushwake.com

©2026 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield (“CWK”). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK’s securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK’s affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.