MARKETBEAT

BRUSSELS

OFFICE Q2 2026

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YoY Chg	12-Month Forecast
112,900 SQ M Take-Up 2026 Q2	▲	=
€139 MILLION Investment Volume 2026 Q2	▼	▼
5.15% Prime Yield	=	=

ECONOMIC INDICATORS

	YoY Chg	12-Month Forecast
0.7% GDP Growth YoY 2026 (F)	▼	▲
6.2% Unemployment Rate 2026	=	▼
3.0% Inflation Rate (HICP) June 2026	▲	▼

Sources: Moody's Analytics, Eurostat

ECONOMIC GROWTH FORECASTS BROADLY UNCHANGED

Moody's outlook for the Belgian economy remains broadly stable compared to the previous quarter. **GDP growth is forecast at 0.7% in 2026**, followed by a recovery to **1.3% in 2027**. The baseline scenario assumes that the conflict in the Middle East will ease during summer. However, renewed disruption of shipping through the **Strait of Hormuz has** increased uncertainty.

Should the disruption continue, Moody's warns that the current oil price shock could develop into a wider supply problem. Unlike the energy crisis of 2022, this shock is affecting more fragile economies with less fiscal headroom. This makes **economic growth** more sensitive to further increases in energy prices.

Belgian nominal GDP reached €160.2 billion in Q1 2026 (NBB). **Household consumption** remained the main driver of economic activity, although **spending growth moderated** during the quarter, partly reflecting normal seasonal patterns. Spending was weaker in certain categories, including transport. Fiscal measures and wage developments may weigh on consumption in the coming quarters.

ECB RAISES INTEREST RATES

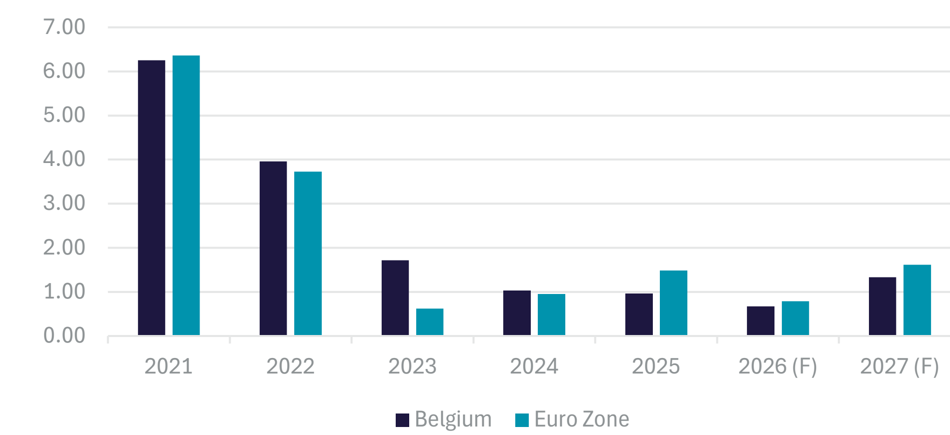
The ECB raised its **key interest rates by 25 basis points**, taking the deposit rate to 2.25%. Moody's analysts expect a second rate hike later this year, depending on oil price developments and inflation. Given the limited scale of the expected tightening, the impact on economic growth is likely to remain moderate, with the rate increase primarily serving as a signaling measure.

Belgian government bond yields with a 10-year maturity stood at **3.5%** in June 2026, around 20 basis points higher than in February, with long-term swap rates also moving upwards. As a result, financing has become more expensive. At the same time, lender appetite and market liquidity have improved.

INFLATION ELEVATED BUT EASING

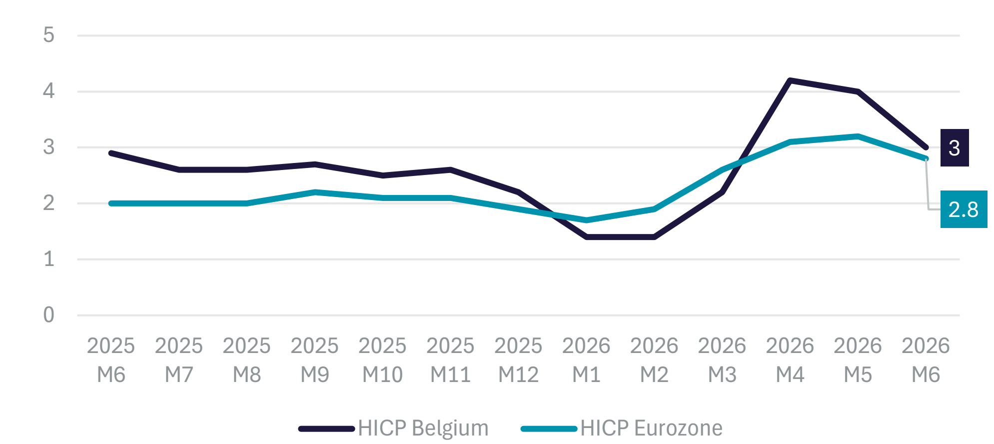
Inflation is easing but remains above target. **Belgian HICP inflation** rose to 4.2% in April and stood at 4.0% in May, before **easing to 3.0% in June**. Average inflation is forecast at 3.4% in 2026.

GDP GROWTH (in % of change prev. year)



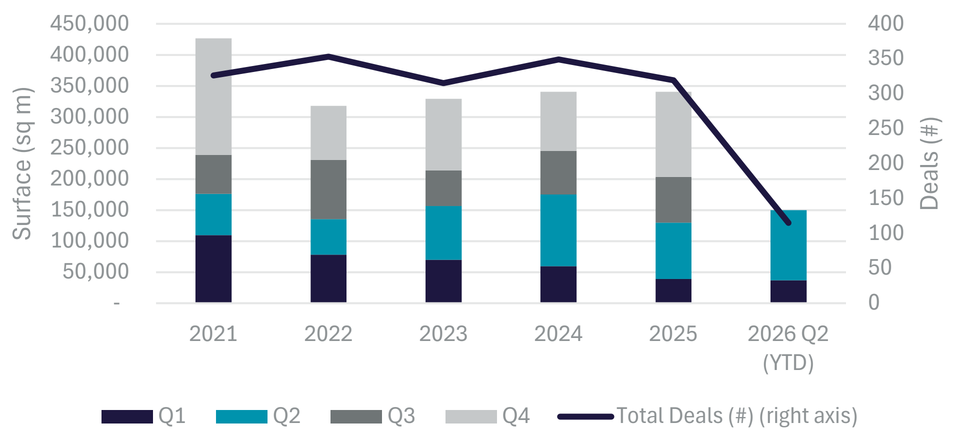
Source: Moody's Analytics (baseline scenario – July 2026)

INFLATION RATE (HICP in % of change)



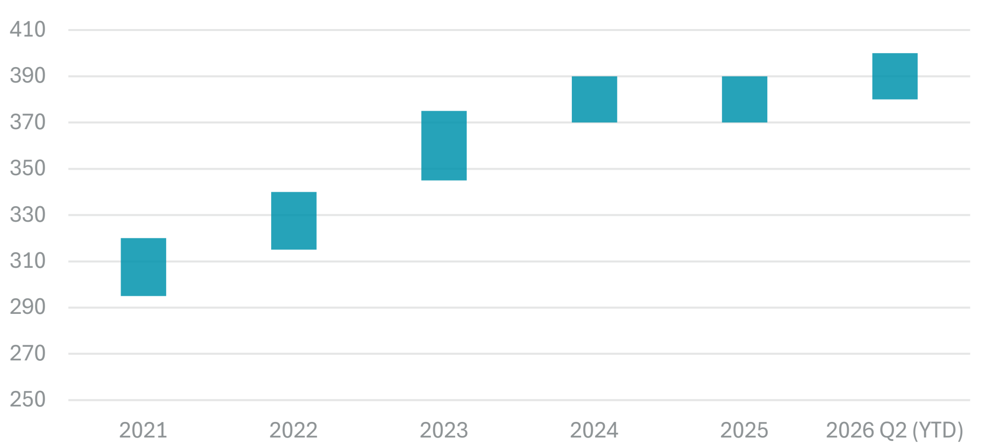
Source: Eurostat

TAKE-UP VOLUME BY QUARTER



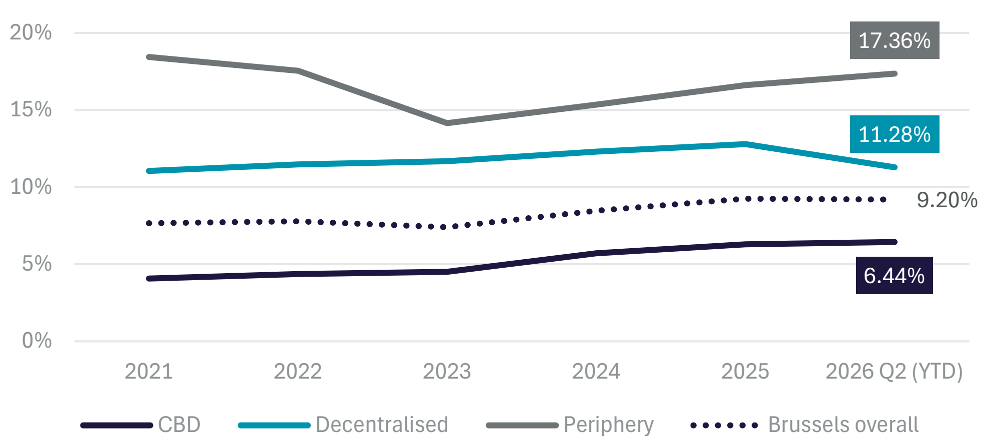
Source: Cushman & Wakefield

PRIME RENT RANGE CBD (€/SQ M/YEAR)



Source: Cushman & Wakefield

VACANCY RATE BY MARKET



Source: Cushman & Wakefield

STRONG REBOUND IN TAKE-UP, DRIVEN BY A HANDFUL OF MEGA-DEALS

Q2 2026 recorded take-up of **~112,900 sq m across 74 transactions**. This was 25% higher than in Q2 2025, when ~90,300 sq m was recorded, and roughly three times the volume of the previous quarter. Total take-up for the first half of the year reached ~149,600 sq m, up 16% compared with H1 2025.

Occupier activity was **strongly concentrated in a small number of large transactions**. The average deal size stood at 1,526 sq m, while the median was only around 374 sq m. This wide gap shows the extent to which a few large deals supported the quarterly result. Of the 74 transactions recorded, 44 involved less than 500 sq m, which also explains the relatively low median deal size.

The **North District was the leading market** in Q2, recording ~52,150 sq m over 5 transactions, or 46% of the quarterly total. Volumes in the runner-up districts were noticeably lower, led by the Airport District with ~14,600 sq m, the Centre with ~12,500 sq m and the West District with one transaction of ~9,900 sq m.

The largest transactions of the quarter involved **Proximus**. Following approval of the permit of Nextensa's Lakeside project, the 38,000 sq m pre-letting can now be included in take-up figures. Proximus also committed to 8,000 sq m in Gare Maritime, located on the site of Tour & Taxis as well. Outside the North District, the only other transaction above 10,000 sq m threshold was **Elia's** owner-occupier acquisition of the Justice building, which forms part of Immobel's wider Lebeau urban development project.

PRIME RENT RANGE REACHES €380-400 PER SQ M

Overall average rents have remained broadly stable over the past few quarters. In premium CBD locations, however, prime rents are moving upwards, with transactions increasingly reaching the €400/sq m mark. As a result, the prime rental range for the CBD, and particularly the **Leopold District**, has **increased to €380–400/sq m**.

Prime rents have also increased in the **Centre**, reaching **€340-365/sq m**, with some potential for further growth. In the **Airport District**, prime rents have risen to **€190-210/sq m**. Given the buildings currently being marketed, further increases are expected over the coming quarters.

Average rents remain closely linked to **building quality**. Grade B rents increased by 8% compared with Q2 2025, while Grade C rents declined by 6%. In parallel, take-up was strongly concentrated in grade A buildings, which accounted for 79,700 sq m, compared with 5,400 sq m in grade B buildings and 14,500 sq m in Grade C buildings. **Demand and pricing power** therefore remain concentrated in the **highest-quality properties**.

OUTLOOK

- **Economic growth** is expected to remain soft at 0.7% in 2026, with the outlook hinging on the Middle East and energy markets.
- **Inflation** is expected to stay above target (3.4% forecast for 2026), despite easing from 4.2% in April to 3.0% in June, mainly on higher energy prices.
- **Financing conditions** are expected to remain tighter, following the ECB's rate increase and the rise in government bond yields and long-term swap rates.
- **Take-up** may **remain uneven**, as quarterly volumes can be heavily influenced by a small number of large transactions and broader occupier demand is to be established.
- **Prime rents** may continue to **edge upwards**, particularly in the Centre and Airport District, supported by demand for the highest-quality grade A buildings.
- **Investment volumes** are expected to remain **subdued** in the near term, with **prime yields** broadly **stable** and any broader recovery dependent on financing and economic conditions.

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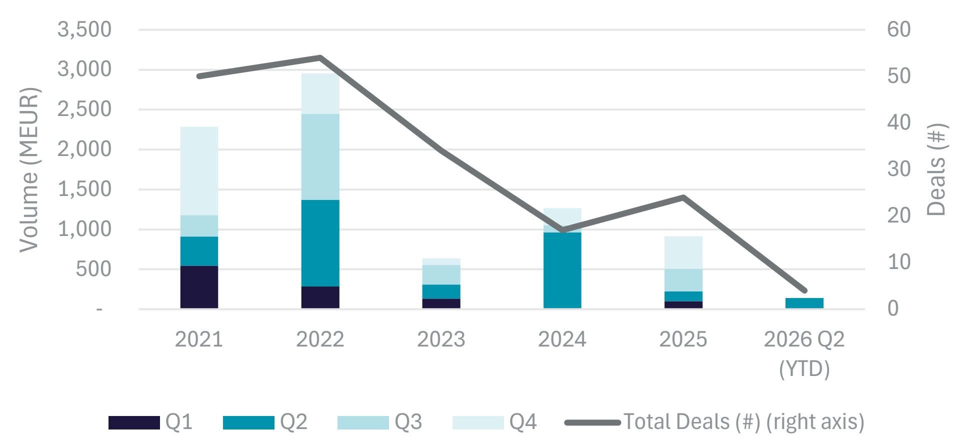
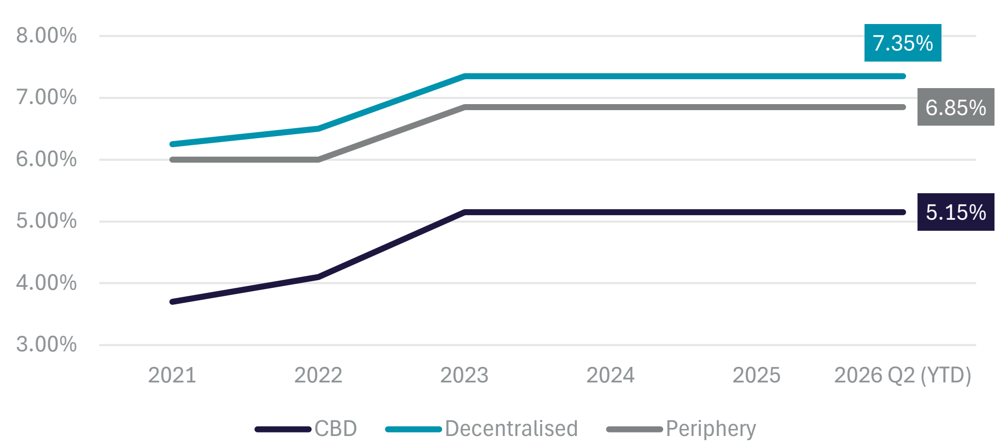
INVESTMENT VOLUME BY QUARTER



Source: Cushman & Wakefield

PRIME YIELDS BY MARKET



Source: Cushman & Wakefield

INVESTMENT ACTIVITY RESUMES, BUT REMAINS LIMITED

After a first quarter with no recorded transactions in the Brussels districts, investment activity resumed in **Q2 2026**, though volumes remained thin. Four transactions were recorded, **totaling ~€139 million**. As anticipated last quarter, the flow of deals stayed limited, reflecting continued caution towards the sector combined with the geopolitical uncertainty and financing conditions that have become more expensive.

The acquisition of **The Muse** in the Leopold district by the Cypriot investor Easternmed Real Estate Management from Immobel, for ~€86 million, was the quarter's only core transaction. This brand new asset accounted for more than 60% of quarterly volume on its own. Pricing on the deal reflects a specific buyer profile and a specific high-quality asset, more than a broad-based return of appetite across the wider market. The other transaction in the CBD was **Port 16**, situated in the North district. This asset was acquired by Iroko for €29.6 million.

Volumes are expected to remain modest in the short term, with a pick-up possible depending on how economic and financing conditions develop.

PRIME YIELDS REMAIN STABLE

Prime yields in the CBD remain **stable at 5.15%,** with **the long-term prime yield** assessed **at 4.75%** for grade A assets fully let on a long lease. Q2 provided the first transaction evidence in six months, and it confirms rather than moves the assessment: pricing for the scarcest, best-in-class product with secure long income remains firm.

DEFINITIONS

- **Take-up**: total gross lettable area (GLA) in sq m of new occupier transactions, including new leases, expansions and owner-occupations, but excluding renewals and pre-letting transactions without valid permits.
- **Prime rent**: consistently achievable headline rent for a new, 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 long lease to a strong covenant in a prime location.

KEY OCCUPIER TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	OCCUPIER	GLA (SQ M)	DEAL TYPE
Lakeside (T&T)	North District	Proximus	38,000	Pre-letting
Justice (Lebeau)	Centre District	Elia	12,000	Purchase
The Louise	Louise District	Russel Reynolds	862	Letting

KEY INVESTMENT TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	SELLER / BUYER	GLA (SQ M)	PRICE (MEUR)
The Muse	Leopold District	Immobel / Easternmed	~10,000	85.9
Port 16	North District	Mirae Asset / Iroko	9,816	29.6
Ikaros Arval	Airport District	Monument & Azure RE / SmartUnit	8,064	20

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

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