MARKETBEAT
BELGIUM
REGIONAL OFFICE Q2 2026

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YoY Chg	12-Month Forecast
79,000 SQ M Take-Up 2026 Q2	▲	=
€22.8 MILLION Investment Volume 2026 Q2	▲	=
6.60% 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

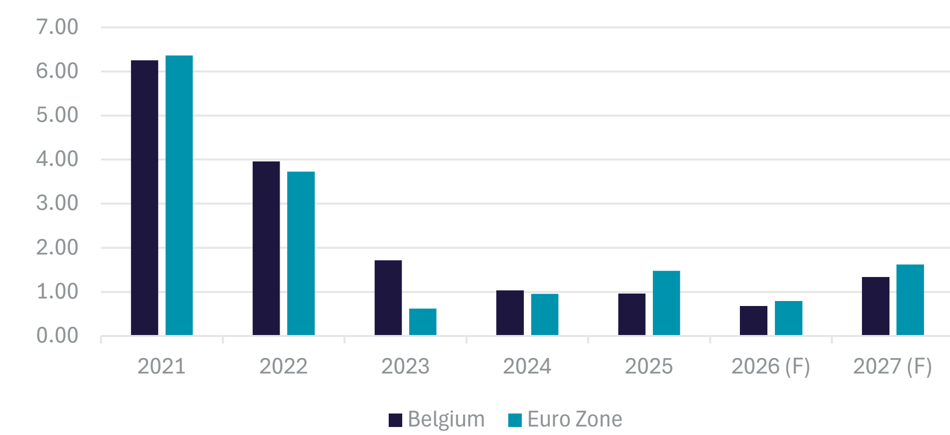
The ECB raised its **key interest rates by 25 basis points**, taking the deposit rate to 2.25%. Moody's analysts expect a second rate hike later this year, depending on oil price developments and inflation. Given the limited scale of the expected tightening, the impact on economic growth is likely to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

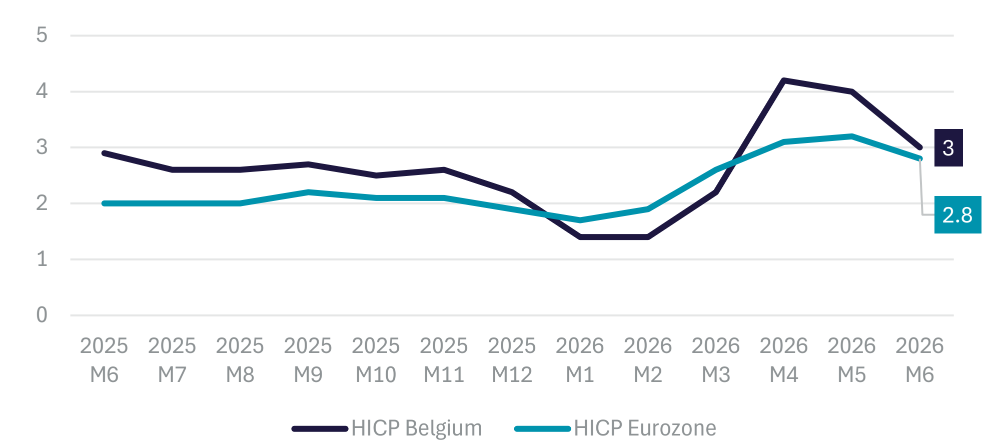
Inflation is easing but remains above target. **Belgian HICP inflation** rose to 4.2% in April and stood at 4.0% in May, before **easing to 3.0% in June**. Average inflation is forecast at 3.4% in 2026.

GDP GROWTH (in % of change prev. year)



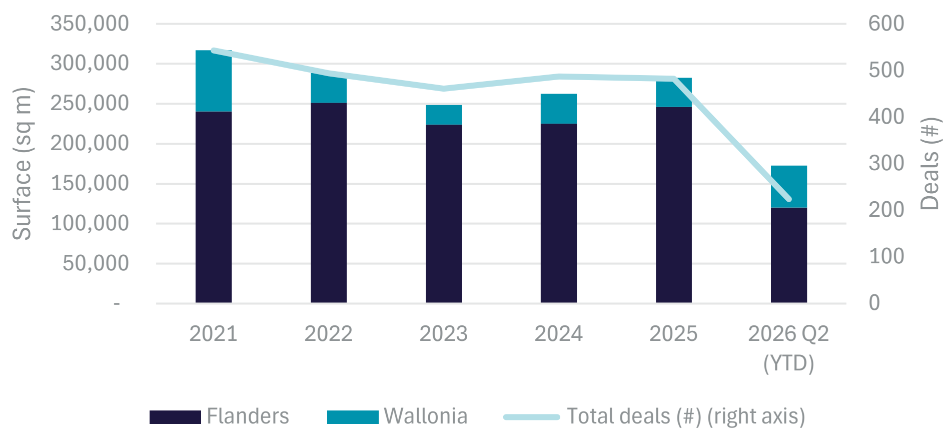
Source: Moody's Analytics (baseline scenario - July 2026)

INFLATION RATE (HICP in % of change)



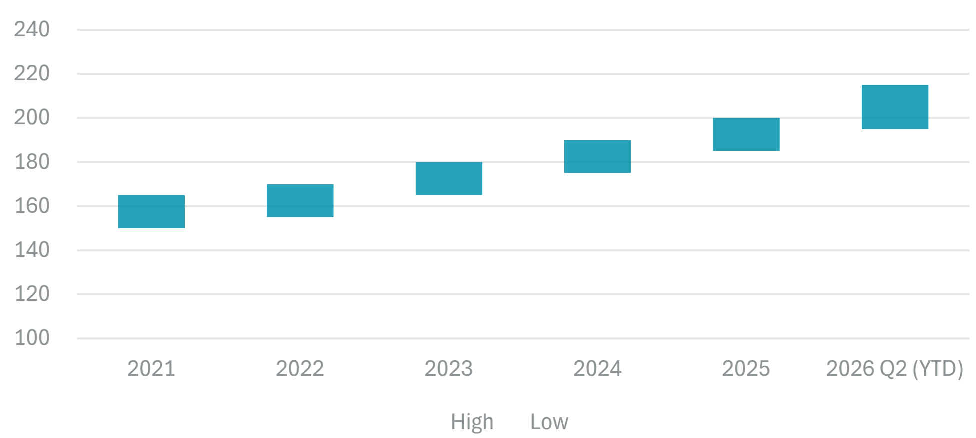
Source: Eurostat

TAKE-UP VOLUME BY REGION



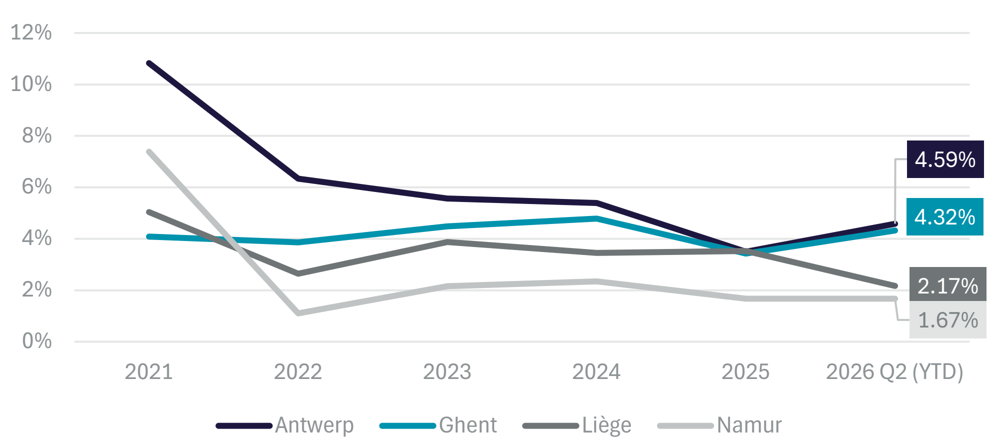
Source: Cushman & Wakefield

PRIME RENT RANGE REGIONAL (€/SQ M/YEAR)



Source: Cushman & Wakefield

VACANCY RATE BY CITY



Source: Cushman & Wakefield

REGIONAL OFFICE TAKE-UP AHEAD OF 10-YEAR-AVERAGE

For **Q2 2026**, the take-up in the regions recorded **79,000 sq m over 107 transactions**. This brings the total for H1 to 172,000 sq m, which is more than 20% above the 10-year-average for the regional office take-up.

This higher take-up is driven by **a handful of large deals**. Three deals alone in H1 account for ~30% of the total take-up: Telenet pre-letting in The Quint in Mechelen (19,000 sq m), Régie des Bâtiments acquiring Thomas Edison in Mons (18,000 sq m) and Arteveldehogeschool acquiring Campus Dok 2 in Ghent (16,000 sq m).

Besides these large deals, there are two patterns that stand out in the regions: **owner-occupier transactions and the activity of the public sector**. Two of the top three transactions were owner-occupier deals, which tend to lift annual take-up more than recurring letting activity does. Also, public sector has been active, with a share of more than 30% in the take-up for H1.

Flanders accounted for ~70% of H1 2026 take-up, versus its usual high-80s%, as **Wallonia rose to ~30%** (~52,000 sq m), its strongest share since 2020. Wallonia's performance was driven mostly by Liège (~27,000 sq m, broad-based public-sector and finance demand) and a single large government purchase in Mons (Régie des Bâtiments, 18,000 sq m), while Namur and Charleroi stayed quiet.

PRIME RENTS MOVE UP, WITH STRONG PERFORMANCE OF LIÈGE

Prime office rents rose again this quarter, with Liège among the strongest performing markets. The prime rent range now sits at **€195 to €215/sq m/year**. After **Antwerp's** top bracket moved to €210 last quarter, **Liège** has now gone past it to €215, following the letting of The Hub to BNP Paribas Fortis near the railway station for a notable 5,900 sq m. That is a jump of more than 15%, but the size of the transaction and the sentiment around upcoming commercialisations support the adjustment.

Weighted average rents are also at record levels, reaching roughly €167/sq m/year in H1 2026, up from €152 in 2025. The increase is visible in both regions, with **Flanders up 11%** and **Wallonia up 10%**, so this reflects broad based rental growth. However, the Wallonia figure does rest on a small number of larger deals, so it should be read with some caution.

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** is expected to further normalize in H2 2026. The outperformance of H1 rests on a couple of large deals, with the underlying letting market closer to trend.
- There is further room for **rental growth** in the regional markets, with the Mechelen region under close monitoring after the transaction of The Quint.
- **Investment activity** is expected to remain slow, in a market that can be characterised as small, domestic and value-add oriented. Prime yields are held pending further evidence.

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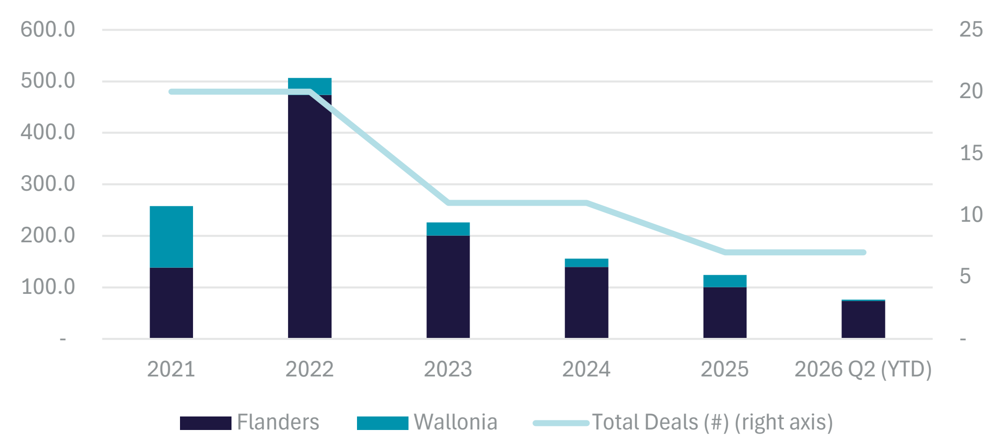
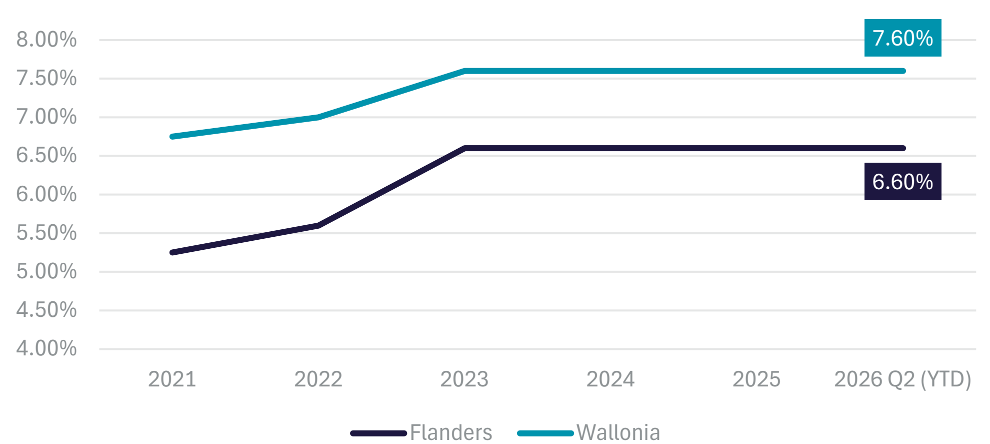
INVESTMENT VOLUME BY REGION



Source: Cushman & Wakefield

PRIME YIELDS BY REGION



Source: Cushman & Wakefield

H1 INVESTMENT VOLUME UP ON 2025, STILL BELOW TREND

Regional office investment reached **€22.8 million in Q2 2026**, bringing H1 volume to €76.2 million across eight transactions. While that is a marked improvement on the €19 million recorded in H1 2025, it remains ~12% below the ten-year H1 average of €86 million, and the composition of activity has changed fundamentally.

Every deal closed so far in 2026 has been **a value-add or redevelopment play**. Core and long-income product was absent from the market for a second consecutive quarter, and no transaction has exceeded the €25 million mark this year yet. Average lot size fell to €10.9 million, against a ten-year average of around €20 million. Buyers were exclusively domestic private investors and developers; institutional and cross-border capital stayed on the sidelines.

Q2 was led by two €10 million transactions: Next Stay's purchase of **Axis in Edegem** from Intervest, and Koramic Real Estate's acquisition of two building blocks in the **Axxes Business Park in Merelbeke** from the East Flanders provincial pension fund. Intervest's ongoing disposal programme continues to account for a significant share of regional turnover, having released some €180 million of assets since 2024.

PRIME YIELDS KEPT STABLE

Prime yields remained stable over the quarter, mirroring the Brussels office market. In the absence of core transactions, pricing for the best regional product is being held at existing levels rather than tested.

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
The Quint	Mechelen	Telenet	19,000	Pre-letting
The Hub	Liège	BNP Paribas Fortis	5,900	Pre-letting
Loncin Business Park	Liège	Thales	5,000	Letting

KEY INVESTMENT TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	SELLER / BUYER	GLA (SQ M)	PRICE (MEUR)
Axis, Edegem	Antwerp	Intervest / Next Stay	7,000	10
Axxes Business Park (2 blocks), Merelbeke	Ghent	Pensioenfonds Prov. Oost-Vlaanderen / Koramic	~4,900 per block	10

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

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