MARKETBEAT
GERMANY
RETAIL INVESTMENT Q2 2026

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YoY Chg	12-Month-Forecast
1.7 bn Transaction Volume (cum.), €	▼	–
41% Share of Foreign Capital	▼	–
4.46% High Street Prime Yield Top 7 Market Average	–	–
13 % Retail Share of total Transaction Volume	▼	▲

ECONOMIC INDICATORS

	YoY Chg	12-Month-Forecast
0.9% Germany GDP Growth (Q2 2026 vs. Q2 2025)	▲	▲
2.25% ECB Deposit Rate (Jun 2026)	▲	▲
3.09% 10-Year Government Bond Yield (Q2 2026)	▲	–

Sources:
Federal Statistical Office, ECB, Bundesbank

TRANSACTION VOLUME

Retail real estate transaction volume reached approximately €1.7 billion in the first half of 2026. Compared to the previous year, this represents a 36% decline (H1 2025: €2.68 billion). Investments in retail properties accounted for around 13% of total commercial real estate investment volume, making retail the second-weakest asset class after hotels in the first half of 2026. This outcome was driven in particular by the significantly lower share of portfolio transactions compared to the first half of 2025, which had previously boosted retail investment volumes overall.

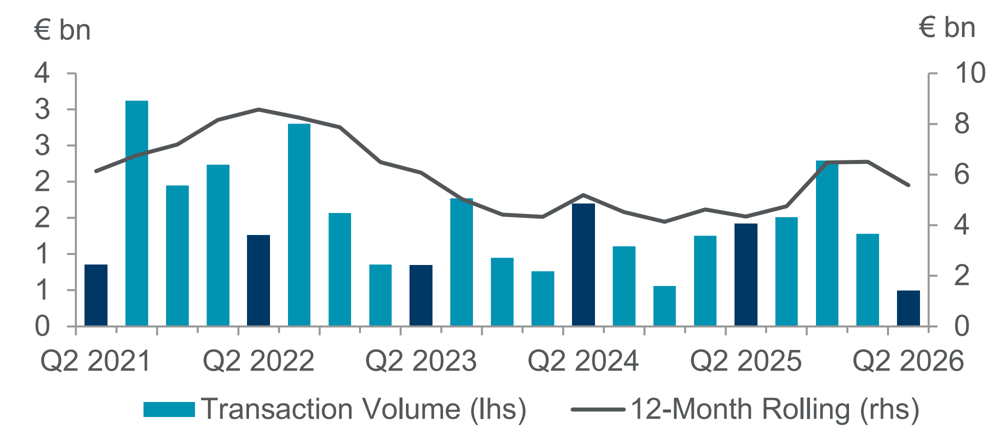
The largest transaction completed so far this year was the acquisition of Designer Outlet Neumünster by TPG Inc. from Nuveen Real Estate. The transaction achieved a sale price of more than €330 million .Supermarkets and retail parks accounted for the largest share of retail investment volume, representing approximately 55% of the total. They were followed, at a considerable distance, by shopping centers with a share of around 26%, while high street properties accounted for approximately 19%.

PRIME YIELDS

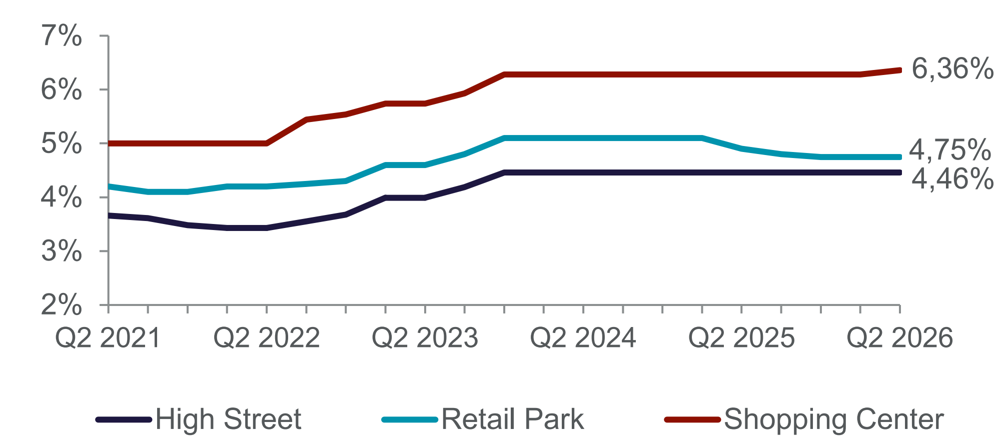
For high street retail properties, the average prime yield across Germany's top-7 markets remained unchanged at 4.46%. Yields ranged from 4.10% in Munich to 4.65% in Cologne and Stuttgart.

Prime yields for retail parks also remained stable at 4.75% across all top-7 markets. For shopping centers, prime yields increased slightly in the second quarter, averaging 6.36% across the top seven markets (Q1 2026: 6.28%).

TRANSACTION VOLUME



PRIME YIELDS* BY PROPERTY TYPE



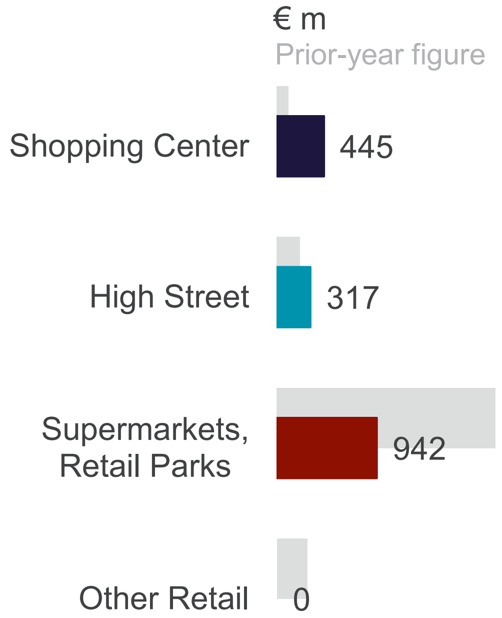
**Average Top-7 markets each*

SELECTED RETAIL TRANSACTIONS 2026

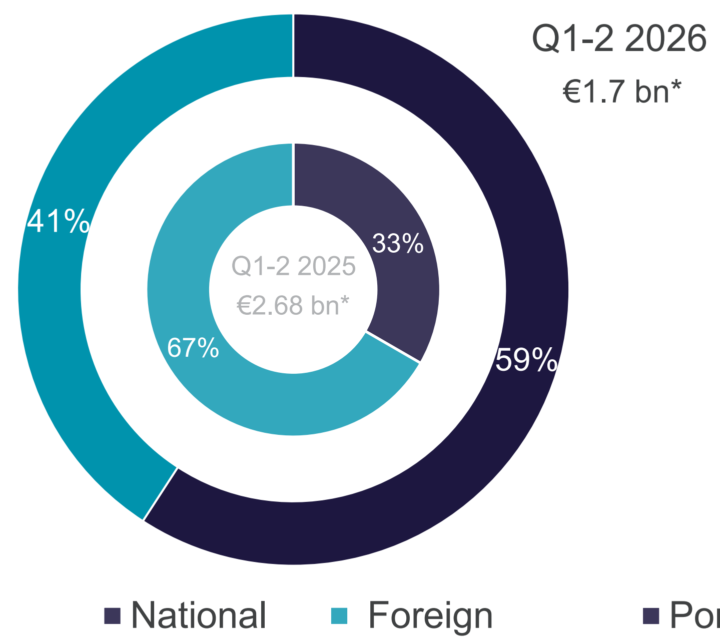
Property / Address	Quarter	City	Seller / Buyer	Purchase Price (€ m)
Designer Outlet Neumünster	Q1	Neumünster	Nuveen & McArthurGlen / TPG	> 330
Powerfood Portfolio	Q1	Multiple	Trei / CEV Handelsimmobilien	~ 200

TRANSACTION VOLUME Q1-2 2026

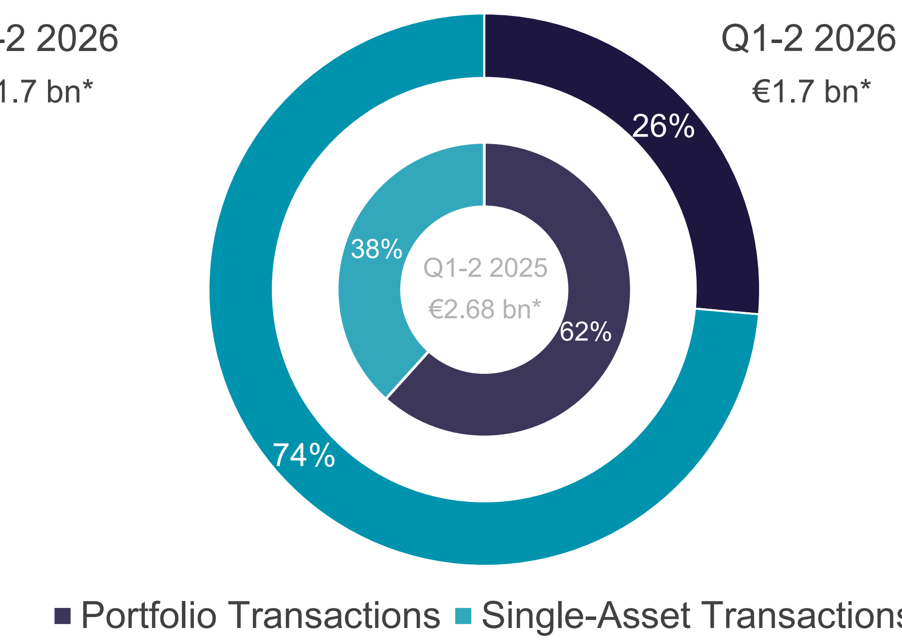
BY PROPERTY TYPE



BY ORIGIN OF BUYER



BY TRANSACTION TYPE



** Whole-Retail-Transactionvolume*

OUTLOOK

- Supermarkets and retail parks were already responsible for the majority of retail investment volume in the first half of 2026. This asset class is expected to maintain its strong position throughout the rest of the year and continue to account for a significant share of transaction activity.
- According to C&W's forecast, prime yields for high street properties are expected to increase slightly by year-end. This assumption is supported by persistently weak consumer demand combined with ongoing economic risks.

EXPLANATION OF TERMS

Retail Transaction Volume: Total purchase price of all traded retail properties. Property transactions include both single-asset and portfolio sales, as well as existing properties and development projects. The following legal transaction structures are covered: asset deals (direct investment and the most common form of real estate transaction), share deals (indirect investment), unit deals (transfer of fund units), and entity deals (acquisition of a company where the property is the primary reason for the transaction). Transactions are recorded in the statistics based on the signing date, i.e., the date on which the notarized purchase agreement is executed.

Prime Yield: Represents the lowest net initial yield achievable for a prime property in a prime location, based on current market evidence of supply, demand, and transacted prices. The property is typically let long-term to tenants with strong credit ratings.

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