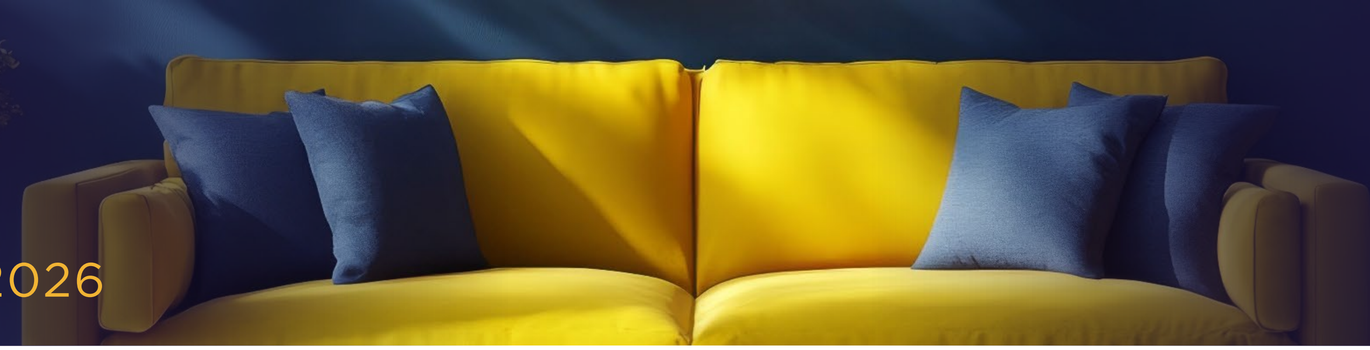
MARKETBEAT
GERMANY
RESIDENTIAL INVESTMENT Q2 2026



CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YoY Chg	12-Month-Forecast
4.10 bn Transaction Volume (cum.), €	▲	▲
33% Share of Foreign Capital	—	—
3.81% Multi Family Prime Yield, Top 7 Market Average	—	▲
24% Residential 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

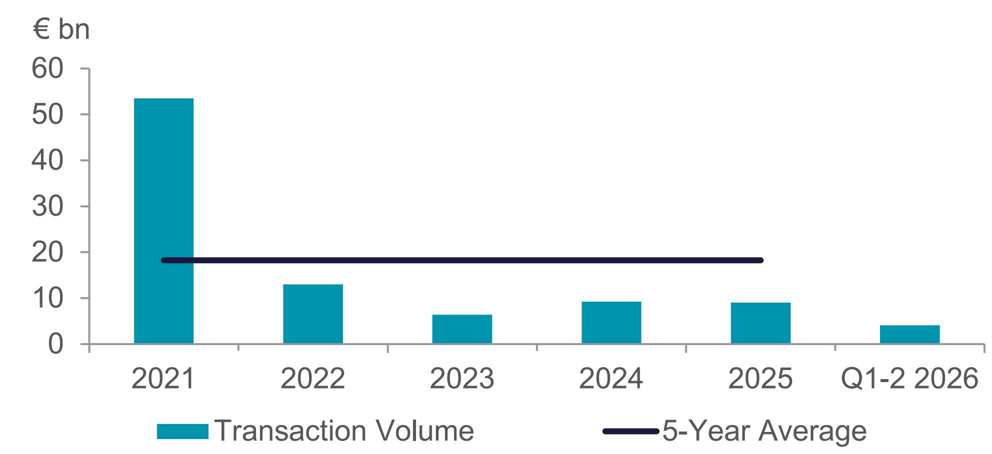
TRANSACTION VOLUME

In H1 2026, the German residential investment market recorded a transaction volume of €4.1 bn, representing a 6% increase yoy. Following a subdued start to the year, activity picked up in Q2, with quarterly volume reaching €2.2 bn. Residential investments accounted for 24% of the total German real estate investment market at mid-year. Multifamily housing remained the dominant segment, accounting for €3.41 bn or 83% of residential investment volume, followed by residential-led mixed-use buildings at €541 m and student housing at €71 m. Market activity continued to be driven primarily by single-asset transactions, which accounted for 64% of total volume. The portfolio share stood at 36% in H1 2026. While this represents a slight increase compared with Q1 (28%), it remained well below the previous year's level of 60%. One of the larger portfolio transactions was the acquisition of a residential portfolio comprising more than 300 residential units by AEW from PATRIZIA for slightly above €100 m. The lower portfolio share is mainly attributable to the quality of available stock and the associated need for clarification regarding ESG requirements and CapEx. Private equity investors are increasingly entering the market as buyers in this context, factoring in corresponding risk and return premiums for future investments. The resulting pricing gap between buyers and sellers is currently noticeably slowing larger-scale transactions.

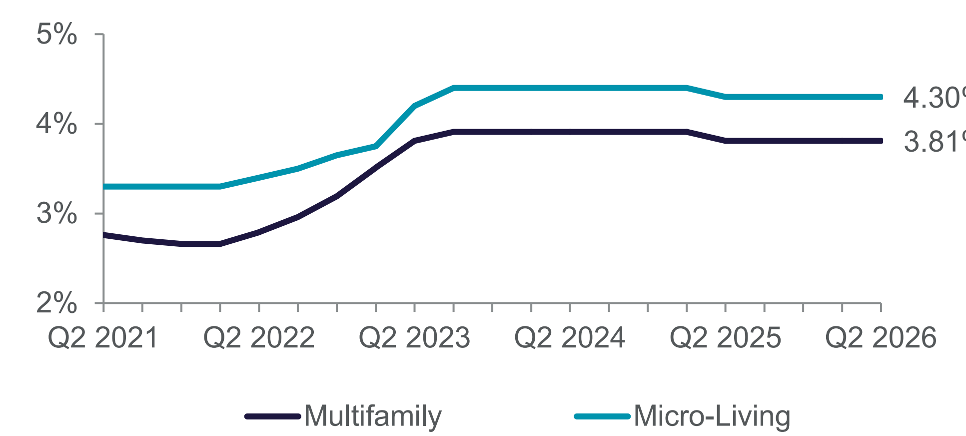
PRIME YIELDS

Prime yields for residential real estate remained unchanged in Q2 2026. The Top-7 average for multifamily housing continued to stand at 3.81%, while prime yields in the micro-living segment remained at 4.30%.

TRANSACTION VOLUME



PRIME YIELDS, TOP-7

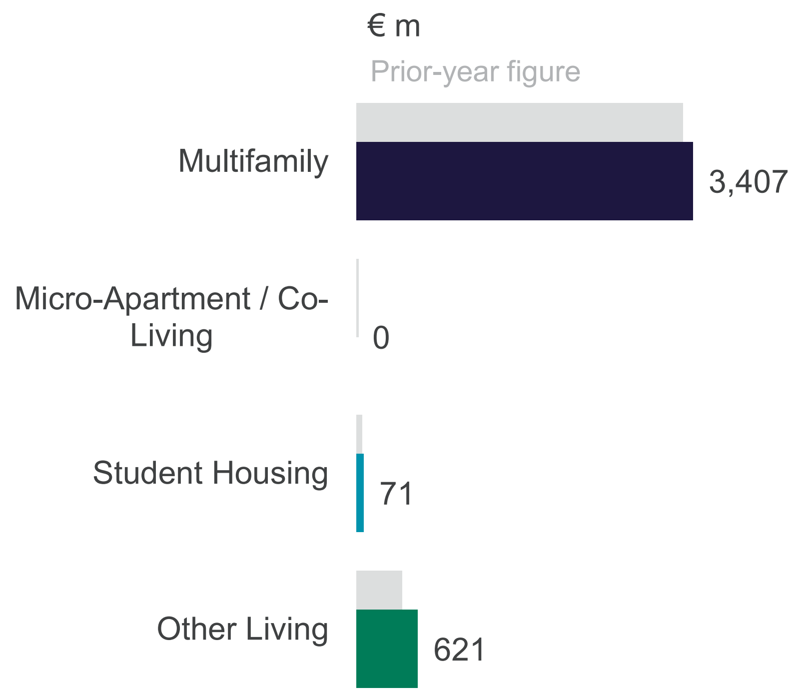


SELECTED TRANSACTIONS 2026

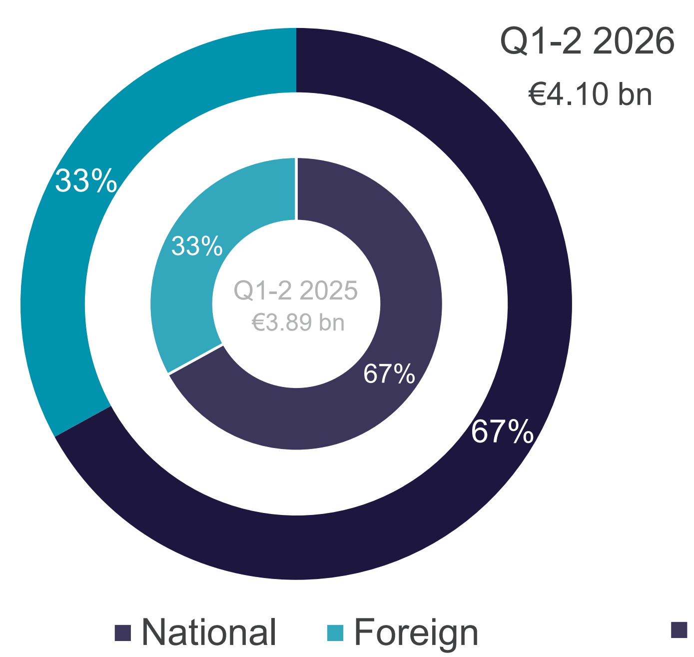
Property / Address	Quarter	City	Seller / Buyer	Purchase Price (€ m)
Residential Portfolio (343 units)	Q2	Multiple	PATRIZIA / AEW	~ 100
Residential Portfolio Silect (300 units)	Q2	Multiple	MEAG / Tikehau Capital	~ 90
Residential & commercial properties in Berlin (170 units)	Q2	Berlin	Confidential / Confidential	~ 32

TRANSACTION VOLUME Q1-2 2026

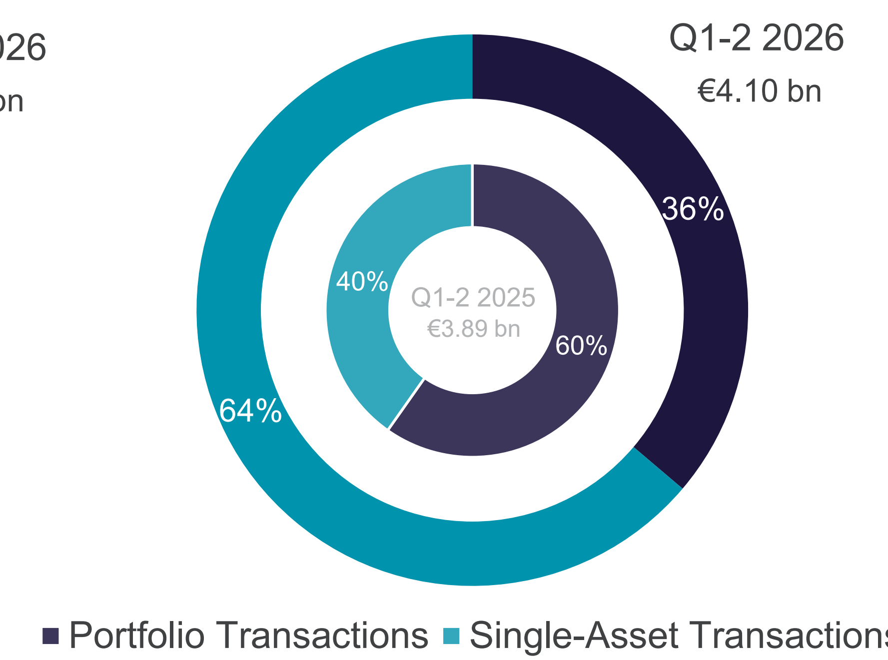
BY PROPERTY TYPE



BY ORIGIN OF BUYER



BY TRANSACTION TYPE



OUTLOOK

- Despite higher bond yields, prime yields in the residential segment continue to be supported by the structural demand surplus and low completion volumes.
- More challenging financing conditions could temporarily slow the recovery in the residential investment market; nevertheless, C&W expects the 2026 residential investment volume to be broadly in line with the previous year.

EXPLANATION OF TERMS

Residential Transaction Volume: The sum of the purchase prices of all transacted properties with a primary focus on residential use. This includes multifamily buildings, micro-apartments/co-living, student housing (with 20 or more residential units), and mixed-use residential and commercial properties (where at least 75% of the rental income or total rental area is attributable to residential use).

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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