

# REVIEW INVESTMENT MARKET

COLOGNE Q1 2026

RESEARCH & INSIGHTS



**BNP PARIBAS  
REAL ESTATE**

Real Estate for a changing world



- PLEASING START TO THE YEAR
- SLIGHT RISE OF RETAIL PRIME YIELD SINCE END OF 2025

### KEY FIGURES

**256** △ +194.9% y/y  
Investment volume (€m)

**0.0** ▷ 0.0%pts y/y  
Portfolio share (in %)

**28.5** △ +129.3% y/y  
Ø Deal size (in €m)

### MARKET OVERVIEW

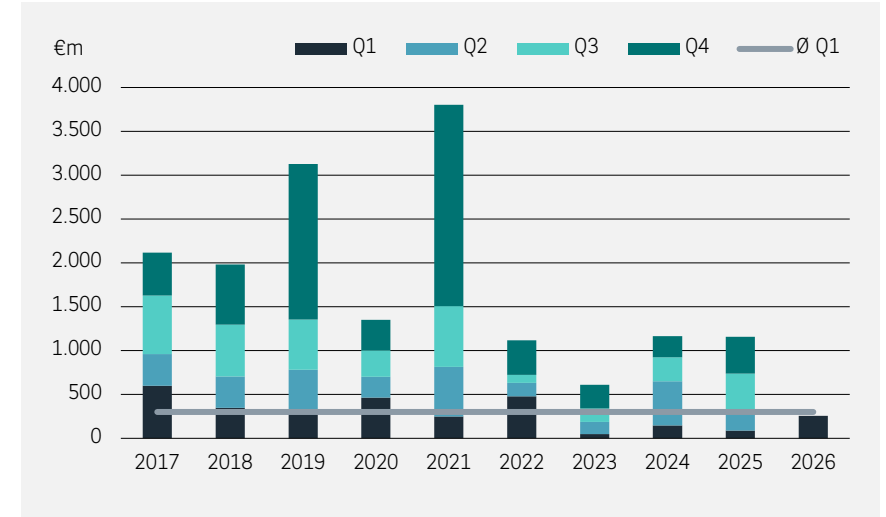
At the end of the first quarter, the Cologne investment market can report a positive interim balance: with a transaction volume of around €256 million, the very low result from the same period of the previous year was exceeded by a large margin (+195%). Even though the result in the first quarter is still based on comparatively few transactions and only serves as a first benchmark, there are some indications that speak for an overall positive market sentiment.

On the one hand, the strongest start to the year since 2022 was recorded. On the other hand, the cathedral city has also registered a respectable volume in a comparison of the A-cities. With the exception of Munich (€740 million), all top markets are in a relatively narrow range between just under €170 million and a good €420 million. The largest transaction in the Cologne market is an office property of around 30,000 m<sup>2</sup>, which changed hands in the MediaPark for around €90 million.

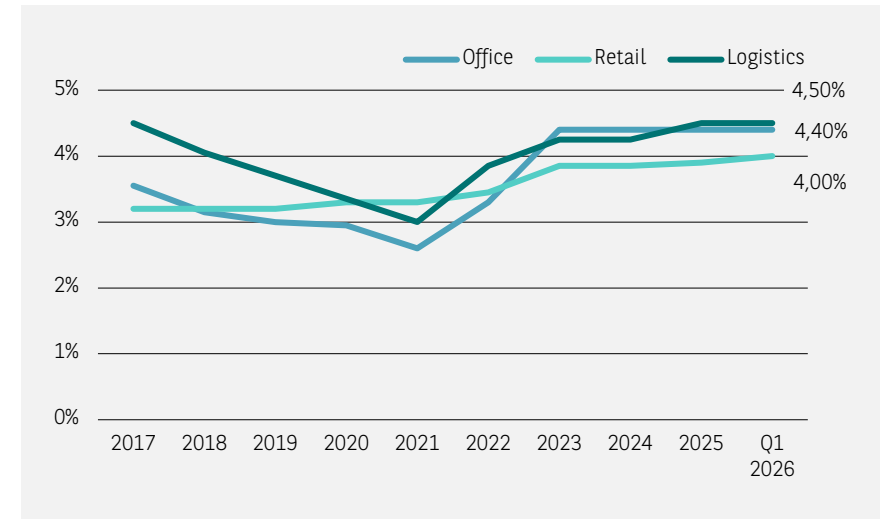
In terms of prime yields, only retail high-street properties were unable to maintain their high price level at the beginning of the year (4.00%; +10 basis points). For office and logistics properties, on the other hand, the same values for top assets in the best locations are still to be applied at 4.40% and 4.50% respectively as at the end of 2025.



#### Development of investment volume



#### Net prime yields by type of property





- OFFICE INVESTMENTS WITH SLIGHT TAILWIND
- INVESTMENT ACTIVITIES CONTINUE TO BE FRAGMENTED

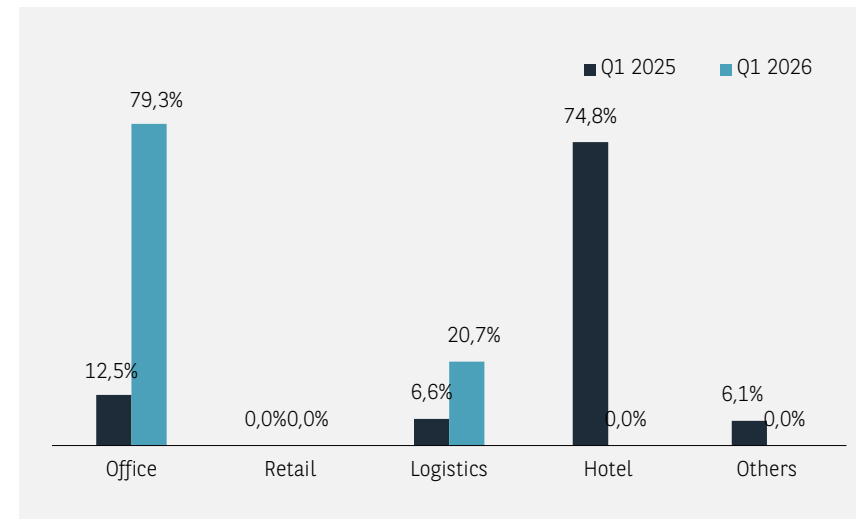
## INVESTMENT MARKET STRUCTURE

Against the background that the distribution of volume by property type, size class and location is based on only three months, it is not unusual for some segments, such as the retail or hotel divisions, to remain unoccupied at present.

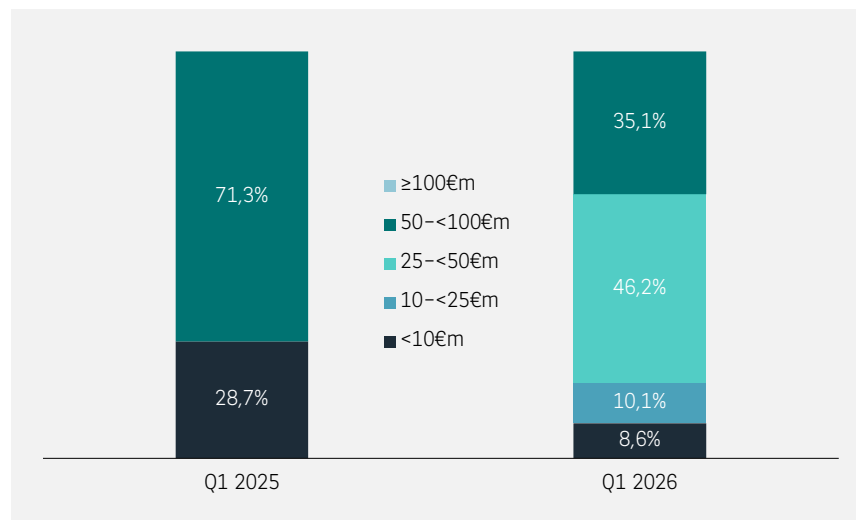
By contrast, office properties dominated the market, accounting for a good 79% of the total invested. In addition to the above-mentioned large-volume office transaction in Media-Park Cologne, a number of smaller and medium-sized properties in very different locations in the Cologne city area were sold. Even though major deals are not yet decisively reflected in the result and deals in the three-digit million range are still rare nationwide, they still send a positive signal for a slow market recovery in this sector. In addition, they are also responsible for the high share of the City Centre, at a total of a good 52%. In addition to office assets, logistics investments were also registered, which currently stand at just under 21%.

Across all asset classes, the average deal volume is currently around €28 million, with market activity in terms of deals almost exclusively in the size classes up to €50 million (almost 90% of all transactions).

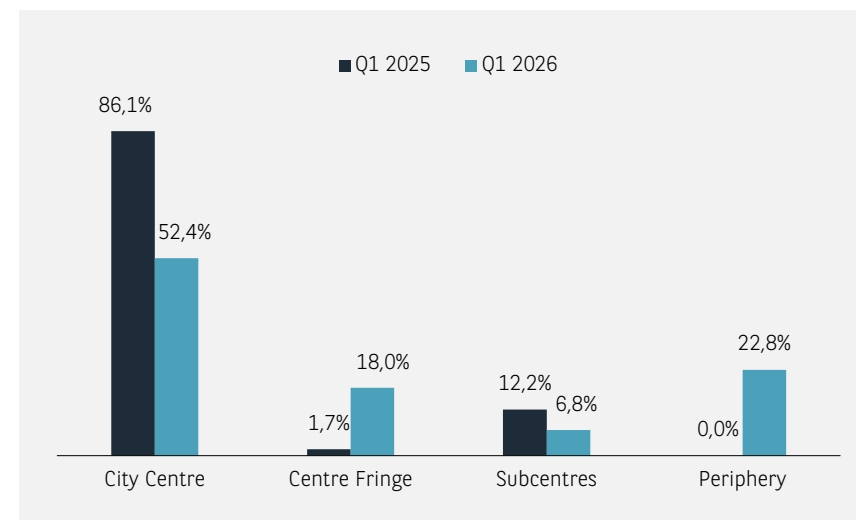
Investments by type of property



Investments by € category



Investments by location





# Q1 2026

## INVESTMENT MARKET COLOGNE

### GEOPOLITICAL DEVELOPMENT IS A FACTOR OF UNCERTAINTY

### NUMBER OF TRANSACTIONS LIKELY TO INCREASE MODERATELY

## ECONOMIC INDICATORS

**+0.6**

GDP Forecast 2026  
(in %)

**2.86**

10ys bond yield  
0 Q1 2026 (in %)

**86.4**

ifo business climate index  
(3/2026)

▲ +15bps q/q

▼ -2.0pts m/m

Source: ifo economic forecast, Deutsche Bundesbank, ifo Institut

## OUTLOOK

Even though market conditions remain challenging and are likely to remain so for the time being, Cologne can look back on an overall successful start to 2026 at the end of March. Last but not least, the significant year-on-year increase in investment volume and the good position in the city ranking are positive indications of the dynamic investment activities. Especially on the side of office investments, Cologne was on a par with the absolute top locations in the first quarter.

For a positive outlook, the development of the geopolitical trouble spots will be crucial, which, as in the past, could have a serious impact on financing conditions at any time. In uncertain times, demand is likely to continue to focus on core investments in established micro-locations such as the City Centre or the Subcentres. Provided that more transactions can be concluded, especially in the size segments from €50 million, and geopolitical developments do not slow down the market, the chances of a pleasing result by the middle of the year are good.

The further development of prime yields remains to be seen for the time being. In the first quarter, however, there were only indications in the retail segment that led to a slightly upwardly adjusted yield level in the current year.



## Investment market data

	Q1 2025	Q1 2026	CHANGE
<b>Total (€m)</b>	<b>87</b>	<b>256</b>	<b>+194.9%</b>
<b>Portfolio share</b>	0.0%	0.0%	+0.0%pts
<b>Share above €100 million</b>	0.0%	0.0%	+0.0%pts
<b>Office share</b>	12.5%	79.3%	+66.8%pts
<b>Share of city locations</b>	86.1%	52.4%	-33.7%pts
<b>Share of foreign investors</b>	78.7%	17.4%	-61.3%pts

NET PRIME YIELDS	Q1 2025	Q1 2026	CHANGE
<b>Office</b>	4.40%	4.40%	+0bps
<b>Retail</b>	3.85%	4.00%	+15bps
<b>Logistics</b>	4.25%	4.50%	+25bps



Q1 2026

INVESTMENT MARKET  
COLOGNE

LEARN  
MORE



MARKET REPORTS 

DASHBOARDS 

## CONTACT

### BNP Paribas Real Estate GmbH

THE CORNER | Im Klapperhof 3-5| 50670 Cologne

Phone: +49 (0)221-93 46 33-00

#### Inga Schwarz

Head of Research

[inga.schwarz@bnpparibas.com](mailto:inga.schwarz@bnpparibas.com)

All rights reserved. This report is protected in its entirety by copyright. No part of this publication may be reproduced, translated, transmitted, or stored in a retrieval system in any form or by any means, without the prior permission in writing of BNP Paribas Real Estate GmbH. The statements, notifications and forecasts provided here correspond to our estimations at the time when this report was prepared and can change without notice. The data come from various sources which we consider reliable but whose validity, correctness or exactness we cannot guarantee. Explicitly, this report does not represent a recommendation of any kind, nor should it be regarded as forming a basis for making any decisions regarding investment or letting or renting property or premises. BNP Paribas Real Estate can accept no liability whatsoever for any information contained or statements made herein.

**Imprint:** Publisher and copyright: BNP Paribas Real Estate GmbH  
Edited by: BNP Paribas Real Estate Consult GmbH | As of: 31.03.2026  
Photo credits: @TensorSpark – stock.adobe.com