

REVIEW RETAIL INVESTMENT MARKET

GERMANY Q1 2026

RESEARCH & INSIGHTS



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REAL ESTATE**

Real Estate for a changing world



- **GOOD START TO THE YEAR: +7% VS. Q1 2025**
- **SPECIALTY STORES AND HIGH STREET WITH HIGH SHARES**

KEY FIGURES

1,371	△ +7,1% y/y
Investment volume (€m)	
18,8	▽ -34,5%pts y/y
Portfolio share (in %)	
16,7	▽ -26,8% y/y
Ø Deal size (in €m)	

MARKET OVERVIEW

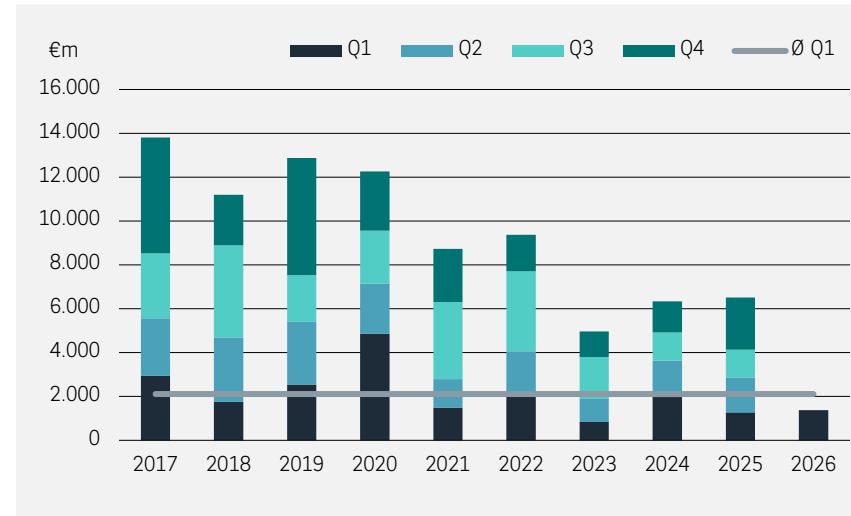
The retail investment market has started 2026 with a satisfactory first balance. Not only in terms of investment volume, which rose slightly year-on-year to around €1.37 billion (+7%), but also in terms of the structure, the current result is similar to the one from the first quarter of 2025.

On the one hand, with a portfolio consisting of 37 food markets and retail parks, it was once again possible to register a large-volume food portfolio. On the other hand, with the Alte Akademie in Munich and the Höfen am Brühl in Leipzig, individual high-street and shopping centre deals in the three-digit million segment were again concluded. However, it is also part of the truth that, as in the previous year, market activity in terms of the number of investments is almost entirely in the segments up to the €50 million mark (proportionate >95% of all sales). The number of deals should be positively emphasised, which has only been higher in 2022 in the last five years.

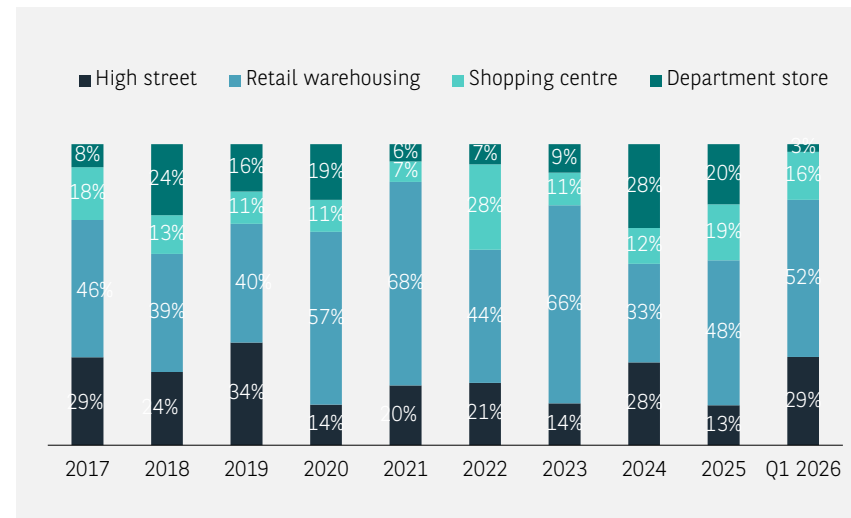
It is also pleasing that the retail investment market can continue to count on very different sales drivers. The clear constant remains the retail warehouse sector: with its current market share of 52%, it is the most important pillar, as it has been in recent years (Ø 10 years: 49%). A further 29% and 16% respectively were accounted for by high street buildings (including Alte Akademie) and shopping centres (including Höfe am Brühl), with one major deal and several smaller investments being observed in both cases. Department stores, on the other hand, remain underrepresented so far (only 3%).



Development of retail investment volume



Retail investments by type of property





- TOP MARKETS GROW DUE TO TWO SALES DRIVERS
- HETEROGENEOUS DEVELOPMENTS IN HIGH-STREET PRIME YIELDS

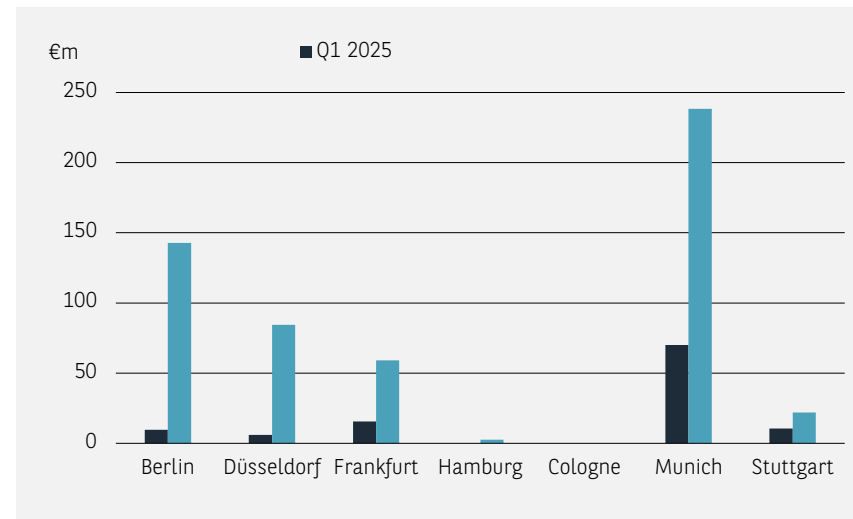
INVESTMENT MARKET STRUCTURE

The A-locations were able to record a much livelier first quarter in the current year than in 2025: At a good €549 million, they achieved almost five times as much investment volume as in the same period last year, which was mainly driven by smaller investments. However, there are two decisive drivers behind the current result: In the individual deal segment, the Alte Akademie in Munich represents the only large-volume sale, while the assets from the aforementioned food portfolio, which are located in the A-cities and especially in Berlin, are the second decisive factor. Together, the two deals account for around 54% of the volume.

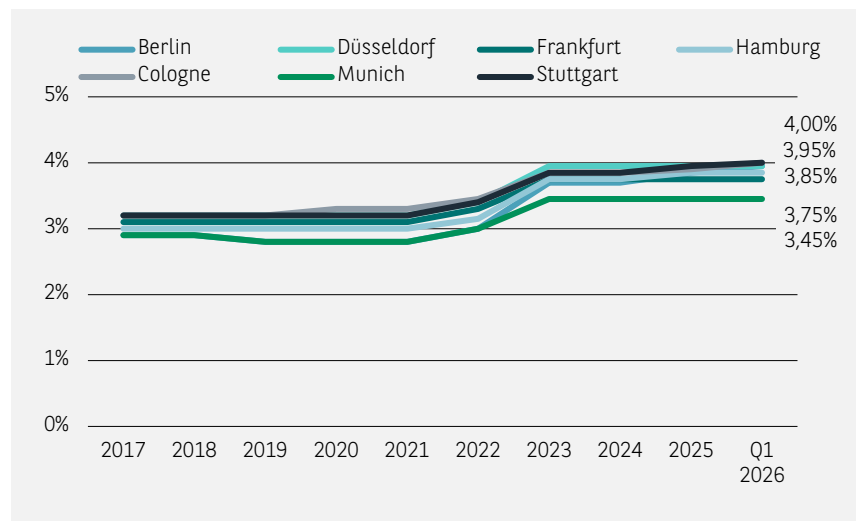
It is therefore not surprising that Berlin and Munich have so far also set themselves apart in the city ranking. The Bavarian capital was able to contribute a total of around €238 million and the retail investment volume in the federal capital currently totals just under €143 million. In addition, only Düsseldorf and Frankfurt are above the €50 million mark with almost €85 million and €59 million respectively.

In terms of high street prime yields, it was shown in the first quarter that investment locations with market-dominating luxury locations, such as Munich (3.45%), Frankfurt (3.75%), Hamburg (3.85%) and Düsseldorf (3.95%), currently have a better competitive position in a comparison of cities. At the end of the first quarter, Berlin was quoted at 3.95%, while Cologne and Stuttgart were quoted at 4.00%.

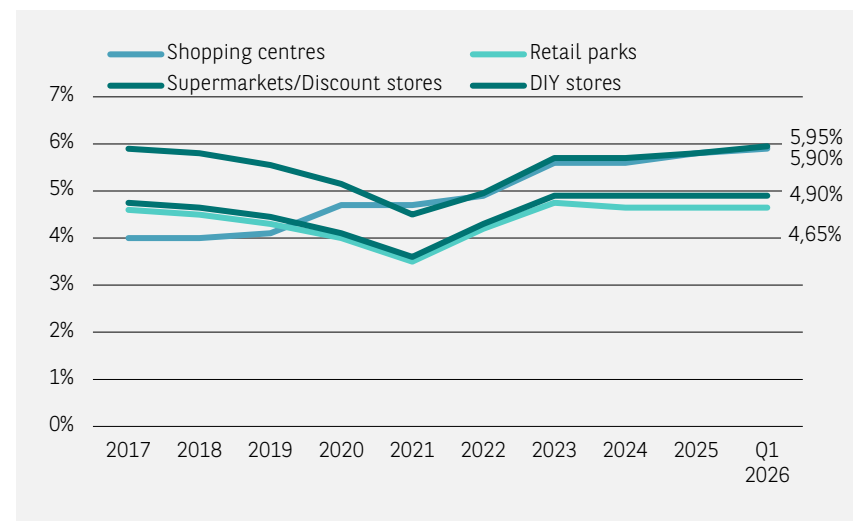
Retail investments in A-locations



Retail high street net prime yields in A-locations



Retail net prime yields by type of property





- **GOOD DEAL PIPELINE FOR THE NEXT FEW QUARTERS**
- **PRIME YIELDS: ADJUSTMENTS POSSIBLE, BUT ONLY MINOR**

ECONOMIC INDICATORS

+0,6

GDP Forecast 2026
(in %)

2,86

10ys bond yield
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 the retail investment market was unable to report an above-average result in the first three months of the current year, the slight year-on-year increase in transaction volume is likely to have a positive effect on market sentiment for the coming quarters. In addition, the almost €1.4 billion shows that the retail division is once again able to position itself well in 2026 compared to the top asset classes office (a good €1.8 billion) and logistics (almost €1.2 billion). The buoyant market activity is also underlined in particular by the number of transactions, which increased by 46% compared to Q1 2025. Although large-volume deals in the three-digit million segment are still limited to individual deals, overall, these investments show that even such top assets are always brought over the finish line under the right conditions.

The contribution to sales from the specialist retail and food sector remains indispensable. In this context, there is also a greater focus on retail parks and local supply centres, which accounted for the most deals among property types in the first quarter. Due to the diversification of rental income to often several tenants with strong credit ratings, they are very popular with investors. With regard to the food and specialty store investments currently being marketed, it can be assumed that momentum will remain high in the coming quarters and, above all, that the portfolio segment in particular will be able to be further boosted. As in the high street sector, the prime yields are relatively heterogen, depending on the type of property, product and location. Overall, however, only slight changes can be observed or expected.



Investment market data

	Q1 2025	Q1 2026	CHANGE
Total (€m)	1.280	1.371	+7,1%
Portfolio share	53,3%	18,8%	-34,5%pts
Share above €100 million	51,4%	40,2%	-11,2%pts
Share of A-cities	8,7%	40,1%	+31,3%pts
Share of foreign investors	60,2%	25,6%	-34,6%pts

NET PRIME YIELDS	Q1 2025	Q1 2026	CHANGE
Berlin	3,70%	3,95%	+25bps
Düsseldorf	3,95%	3,95%	+0bps
Frankfurt	3,75%	3,75%	+0bps
Hamburg	3,75%	3,85%	+10bps
Cologne	3,85%	4,00%	+15bps
Munich	3,45%	3,45%	+0bps
Stuttgart	3,85%	4,00%	+15bps

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Q1 2026

RETAIL INVESTMENT MARKET

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