RESEARCH

MARKET IN MINUTES

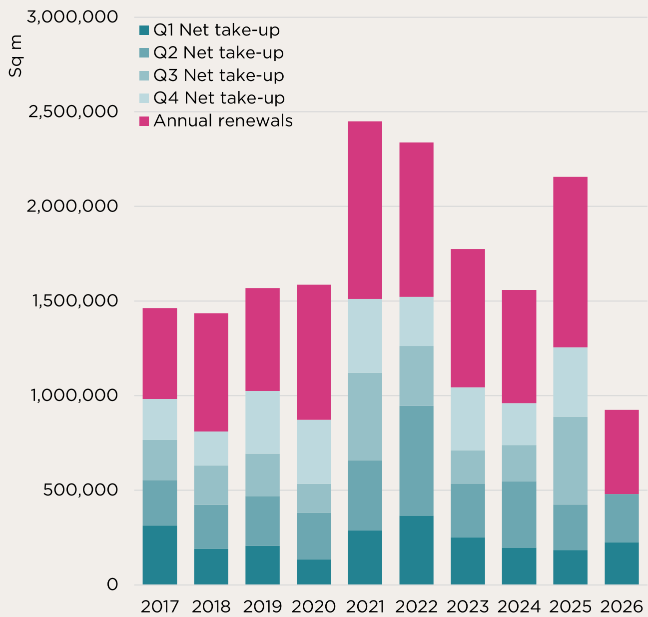
Industrial Real Estate Market Update

Czech Republic – Q2 2026

Market highlights

- Construction activity remained robust in the Czech Republic during H1 2026, with 485,400 sq m of industrial space completed. This was slightly higher than in the same period last year and significantly above both the five-year and 10-year H1 averages. The previously forecast annual new supply of more than 1 million sq m for 2026 remains on track.
- As of June 2026, the Czech Republic's total stock of modern industrial premises intended for lease reached 14.2 million sq m. The nationwide vacancy rate rose to 5.3%, returning to the level last recorded in Q1 2025.
- Gross take-up remained broadly stable between Q1 and Q2, totalling 929,100 sq m in H1 2026. Leasing activity in the first half of the year was 15% below the five-year H1 average but broadly in line with the 10-year H1 average. The share of lease renewals reached 48% in H1 2026.
- Net take-up increased modestly in Q2, bringing the H1 2026 total to 480,000 sq m. Compared with the first half of 2025, net demand increased by 13%, although it remained below both the five-year and 10-year H1 averages. The Greater Prague submarket was the largest contributor to net take-up in H1 2026, accounting for 20% of the volume.

LEASING ACTIVITY



KEY STATISTICS

COMPLETIONS YEAR-TO-DATE	VACANCY RATE (JUNE 2026)	GROSS TAKE-UP YEAR-TO-DATE	NET TAKE-UP YEAR-TO-DATE
485,400 SQ M	5.3 %	929,100 SQ M	480,000 SQ M
Y-O-Y CHANGE: +9%	Y-O-Y CHANGE: +13 bps	Y-O-Y CHANGE: +6%	Y-O-Y CHANGE: +13%

Source: Savills Research

Gross take-up stable quarter-on-quarter

NEW CONSTRUCTION

- Following the exceptionally strong completion volume recorded in Q1 2026, new deliveries slowed to 124,300 sq m in Q2, with 48% of the newly completed space remaining vacant upon completion. The Central Bohemia region recorded the highest volume of new supply this quarter, with 58,000 sq m of speculative space completed at the new EQT Park Prague North. The Greater Prague submarket ranked second, with 36,600 sq m of new industrial space delivered.

- The volume of industrial space under construction or completed to shell & core finish increased slightly, reaching nearly 1.44 million sq m in June. Greater Prague, South Moravia and the Ústí region were the most active development markets, together housing 47% of all space underway. With the largest volume of space under construction, CTP was by far the most active developer in the Czech Republic in June 2026.

- The speculative share of the development pipeline stood at 41%, including all shell & core units, where construction typically pauses until a tenant is secured.

- South Bohemia currently has the largest pipeline relative to existing stock; however, with 88% of space under construction already pre-let, its impact on vacancy is expected to remain limited. Vacancy pressure is likely to be more pronounced in Central Bohemia, Plzeň and Olomouc, where a higher share of speculative space is entering markets with already elevated vacancy levels.

38%

of H1 2026 net take-up came from manufacturing companies.

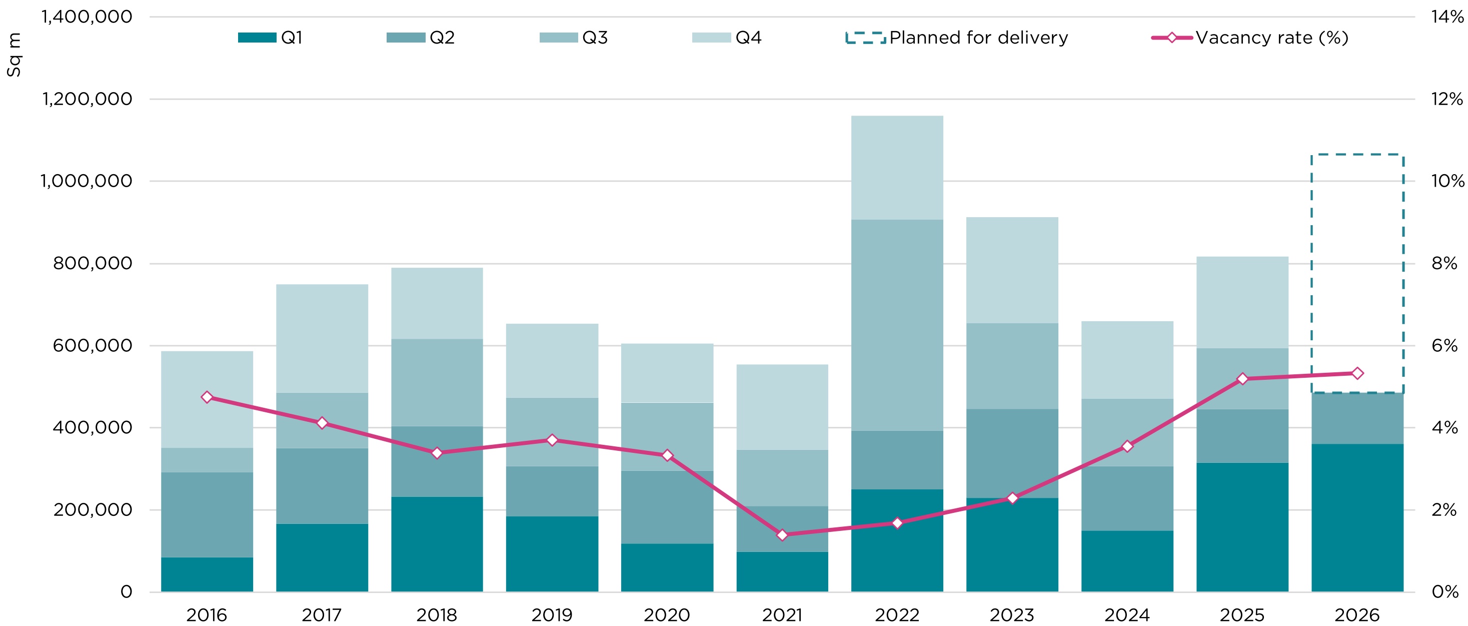
OCCUPIER DEMAND

- Gross leasing activity in Q2 2026 totalled 463,300 sq m, broadly in line with the 465,900 sq m recorded in the previous quarter, indicating continued stability in occupier demand during the first half of the year. On a year-on-year basis, gross take-up increased by 22%, reflecting stronger leasing activity compared with Q2 2025.

- Lease renewals remained an important component of overall market activity, accounting for 45% of total gross take-up in Q2 2026. This was slightly above the average quarterly share of 41% recorded in recent years.

- Net take-up reached 254,200 sq m in Q2 2026, up 13% quarter-on-quarter and 6% year-on-year. The manufacturing sector was the main driver of occupier demand, accounting for 44% of net take-up in Q2 and 38% in H1 2026. From a geographical perspective, the Central Bohemia region and the Greater Prague submarket recorded the highest shares of net demand, at 29% and 21%, respectively.

Q2 2026 SUPPLY EASED, BUT H1 DELIVERIES ALREADY EXCEEDED THE FIRST THREE QUARTERS OF 2024



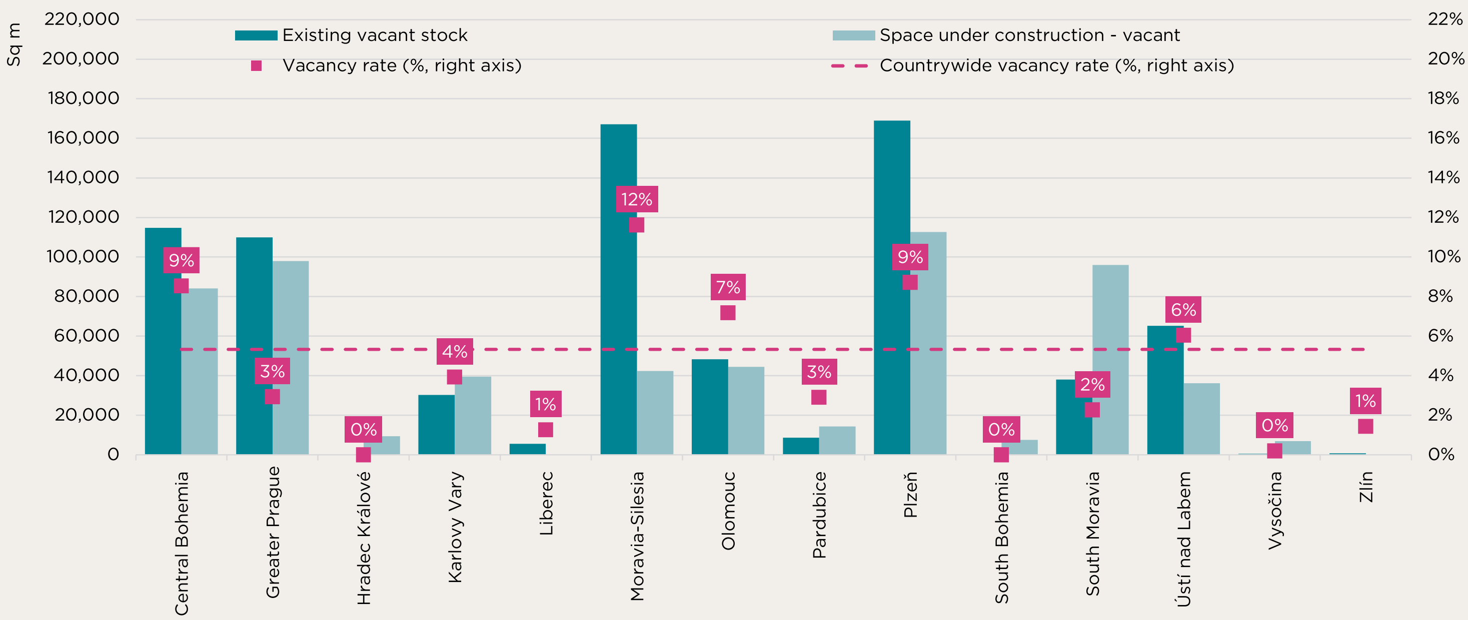
Source: Savills Research

Five regions hold 78% of vacant space

VACANCY

- The volume of immediately available industrial space in the Czech Republic increased to 758,000 sq m in Q2 2026, driven by the return of approximately 75,000 sq m of second-hand space to the market, together with the completion of speculative new supply, particularly in the Central Bohemia region.
- Compared with the previous quarter, the nationwide vacancy rate edged up only marginally to 5.3%, indicating a largely stable market environment across the majority of the 14 regional markets.
- On a year-on-year basis, the largest increase in vacancy was recorded in the Central Bohemia region (+622 bps compared with Q2 2025). In contrast, the Pardubice region (-543 bps) and South Moravia (-393 bps) recorded the most significant declines in vacancy rates over the same period.
- By volume of vacant space, the five largest regions by existing industrial stock currently hold 78% of all available space in the country. Plzeň and the Moravia-Silesia region continue to record the highest volumes of vacant space, maintaining their positions at the top of the ranking since Q4 2024.

CENTRAL BOHEMIA, PLZEŇ AND OLOMOUC MOST EXPOSED TO RISING VACANCY FROM SPECULATIVE SUPPLY



Source: Savills Research

Location remains the key pricing driver

RENT LEVELS

- Headline rents for modern Grade A industrial parks in the Prague surroundings, assuming a standard unit of approximately 5,000 sq m, remained stable at €6.50–€7.50 per sq m per month. Looking beyond the quoted rental range, average headline rents peaked at €7.54 per sq m per month in 2023 before easing to €7.33 in 2024 and stabilising at around €6.90 in both 2025 and 2026. These figures exclude Prague City schemes, where prime warehouse space continues to command €9.50–€10.50 per sq m per month.

- Headline rents, particularly in the Greater Prague submarket, continue to show only a weak correlation with building age. Instead, rates tend to be driven by micro-location, unit size and individual asset positioning, with older, well-located buildings often quoting rents comparable to newly completed developments.

- The SBU market also remained stable during the quarter. Headline rents for warehouse units of less than 1,000 sq m typically ranged between €8.50 and €9.50 per sq m per month, with the best-located schemes achieving up to €12.25 per sq m per month. Blended rents and rates quoted in Czech crowns, rather than euros, have also become common across the segment.

- Regional headline rents were likewise unchanged, generally ranging from €5.30 to €6.00 per sq m per month. The Plzeň, Ústí, Moravia-Silesia and Karlovy Vary regions remained the most competitively priced markets, with selected schemes quoting rents close to €5.00 per sq m per month. At the other end of the spectrum, South Moravia and parts of Central Bohemia continued to command the highest regional rents.

- Ancillary office and sanitary areas within industrial buildings stabilized between €10.50 and €12.00 per sq m per month, with Prague City locations continuing to achieve a modest premium.

Incentives bring warehouse rents down by an average of €0.50 per sq m per month.

- Monthly service charges remained stable at €0.95–€1.30 per sq m per month, with lower rates available for a reduced scope of services.

- Incentives also remained broadly unchanged, with landlords typically offering three to five months' rent-free on five-year leases. Fit-out contributions continue to be offered in addition, particularly in regional markets.

Source: Savills Research

Glossary of used terms

Savills Research

We're a dedicated team with an unrivalled reputation for producing well-informed and accurate analysis, research and commentary across key sectors of the Czech property market. To view copies of our previous publications, go to **www.savills.cz/insight-and-opinion/**

Lenka Pechová
Senior Research Analyst
+420 604 387 407
lenka.pechova@savills.cz

Veronika Králová
Research Analyst
+420 775 308 015
veronika.kralova@savills.cz

Štěpánka Máchová
Junior Research Analyst
+420 603 793 771
stepanka.machova@savills.cz

Ondřej Míček
Head of Industrial Agency
+420 733 351 304
ondrej.micek@savills.cz