RESEARCH

MARKET IN MINUTES

Industrial Real Estate Market Update

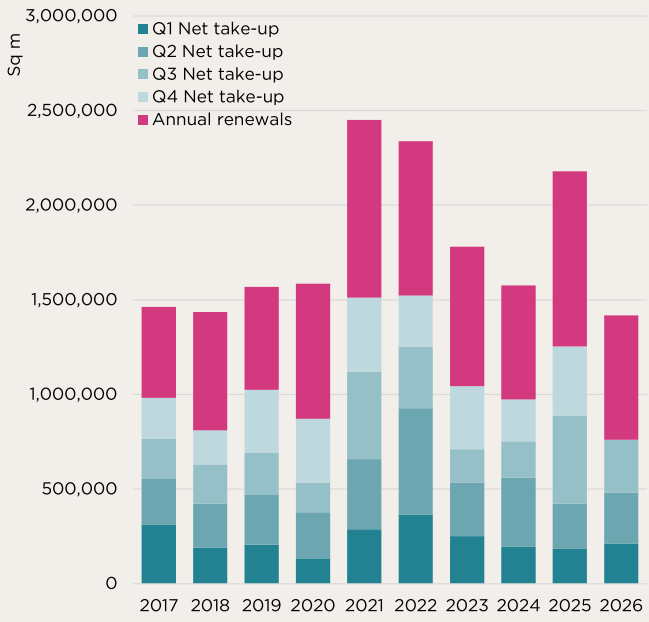
Czech Republic – Q3 2026



Market highlights

- Year-to-date development completions reached 762,900 sq m across the Czech Republic, representing a 29% increase compared with the same period in 2025. Full-year deliveries are expected to surpass the 1 million sq m threshold, bringing new supply close to the record level recorded in 2022.
- The country's modern industrial stock expanded to 14.5 million sq m by the end of Q3 2026, while the vacancy rate stood at 5.0% in September, compared with 5.3% at the end of the previous quarter.
- Gross leasing activity totalled 1,422,600 sq m in the first nine months of 2026, an 8% decrease year on year. Nevertheless, volumes remained 8% above the Q1–Q3 average of the preceding decade. Lease renewals accounted for 46% of year-to-date gross take-up, slightly exceeding the historical average.
- Net take-up accelerated quarter by quarter, yet cumulative activity reached 761,200 sq m in the first nine months of the year, 14% below the corresponding period of 2025 and 4% short of the ten-year Q1–Q3 average. Demand remained geographically concentrated, with Central Bohemia and Greater Prague accounting for 28% and 20% of year-to-date net take-up, respectively. Logistics operators emerged as the leading demand driver, accounting for 39% of Q1–Q3 net take-up and overtaking manufacturing companies, which accounted for 35%.

LEASING ACTIVITY



KEY STATISTICS

COMPLETIONS YEAR-TO-DATE	VACANCY RATE (SEPTEMBER 2026)	GROSS TAKE-UP YEAR-TO-DATE	NET TAKE-UP YEAR-TO-DATE
762,900 SQ M	5.0 %	1,422,600 SQ M	761,200 SQ M
Y-O-Y CHANGE: +29%	Y-O-Y CHANGE: -9 bps	Y-O-Y CHANGE: -8%	Y-O-Y CHANGE: -14%

Source: Savills Research

Take-up reaches a year-to-date high

NEW CONSTRUCTION

- Q3 2026 recorded the highest volume of new industrial completions for any third quarter since 2022, with 277,100 sq m delivered during the period. Notably, all newly completed premises were fully leased at handover. New supply was limited to just six regions, with the Moravian-Silesian region accounting for the largest share at 45%.
- The development pipeline contracted to nearly 1.33 million sq m – its lowest level since 2023. Comprising projects under construction and schemes completed to shell & core stage, the pipeline was 46% pre-let, leaving approximately 610,400 sq m available for pre-leasing. Availability remained heavily concentrated, with more than 52% of the uncommitted pipeline located across just three regions: Plzeň, South Moravia and Greater Prague.
- A sizeable overhang of uncommitted shell & core space remains a defining feature of the Czech industrial market. As of September 2026, this inventory totalled 375,000 sq m, of which 97% was still awaiting pre-leasing commitments. While, over 70% of this space had remained in shell & core finish for more than two years, pointing to a persistent mismatch between speculative development and occupier demand in certain submarkets.
- The final quarter is expected to bring another substantial wave of industrial completions, with 320,000–380,000 sq m scheduled to reach the market before the end of 2026.

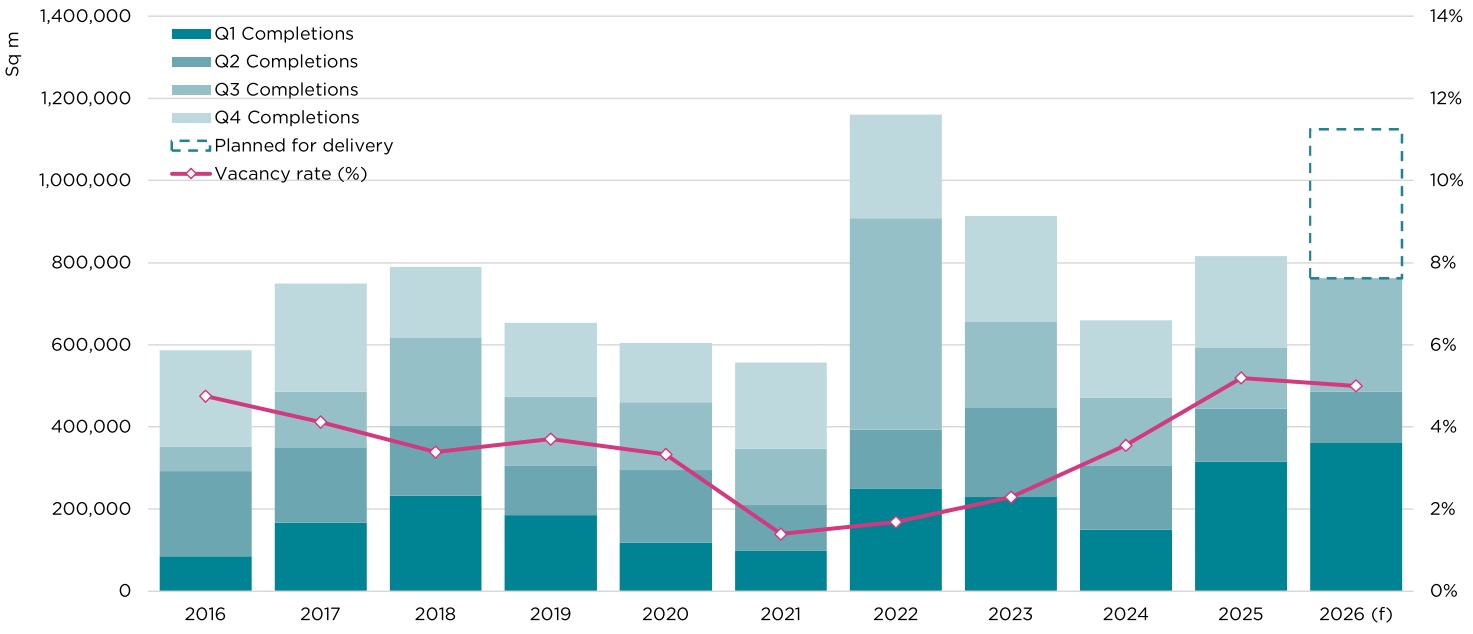
63%

of year-to-date renewals involved logistics occupiers.

OCCUPIER DEMAND

- Gross leasing activity climbed to 493,100 sq m in Q3 2026, marking the strongest quarterly performance so far this year and exceeding the ten-year Q3 average by 23%. On a year-on-year basis, however, volumes were down 24%, pointing to a less active market compared with the exceptionally strong Q3 2025.
- Lease renewals accounted for 43% of gross take-up in Q3 2026, with the bulk of this activity concentrated in the Central Bohemian, Greater Prague and Plzeň regions.
- Net take-up reached 280,900 sq m, also the highest quarterly level recorded so far in 2026. Despite a 39% year-on-year decline, the figure remained 10% above the ten-year Q3 average, indicating that underlying occupier demand continues to hold up against historical norms. Geographically, demand remained heavily concentrated in Central Bohemia, which accounted for 49% of newly leased industrial space. Greater Prague ranked second, capturing a further 18% of net take-up during the quarter.

2026 POISED TO DELIVER THE SECOND-HIGHEST LEVEL OF NEW INDUSTRIAL SUPPLY ON RECORD



Source: Savills Research

Vacancy lowest since Q4 2024

VACANCY

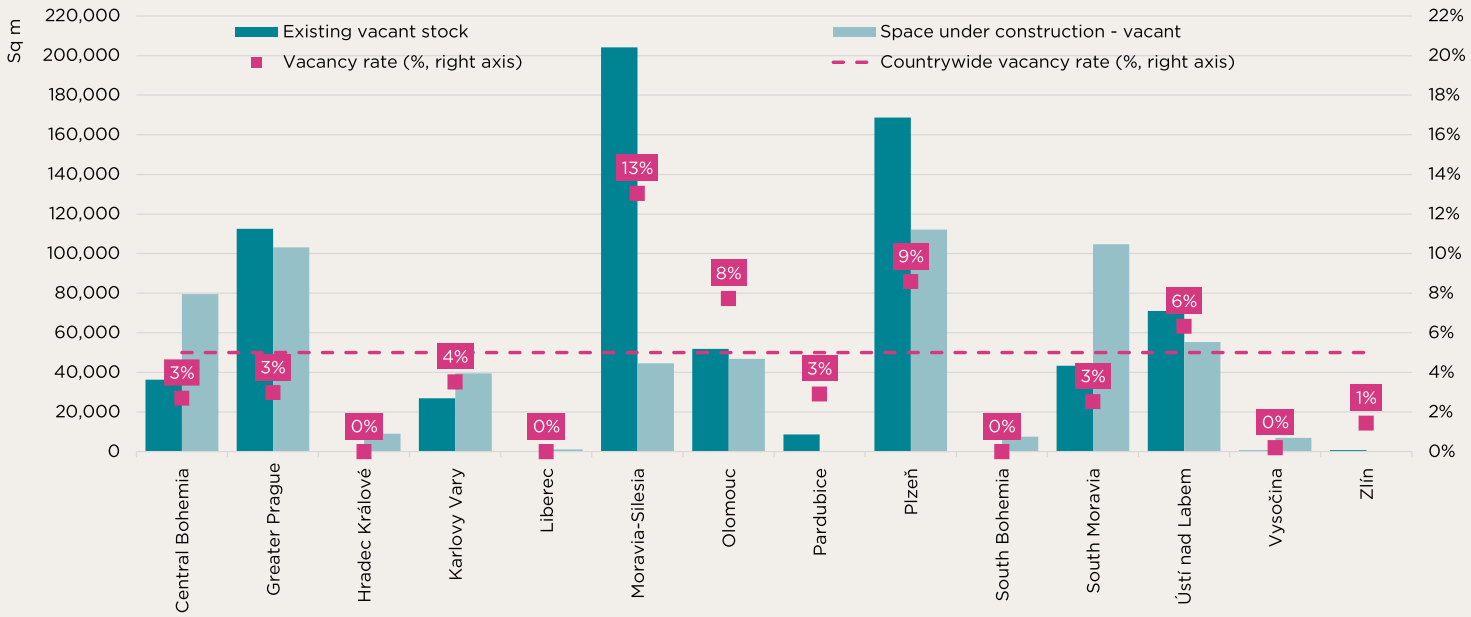
- The nationwide vacancy rate stood at 5.0% in September 2026, down from 5.3% at the end of June. With virtually all industrial space completed in Q3 2026 pre-let prior to handover, the decline was driven primarily by the absorption of existing vacant stock, with no additional speculative completions entering the market.

- At the end of Q3 2026, 725,100 sq m of industrial space was available for immediate occupation nationwide. Vacancy remained geographically concentrated, with three regional markets accounting for the bulk of available space. The Moravian-Silesian region recorded the highest volume, at 204,200 sq m, reflecting its relatively large concentration of vacant big-box units. Plzeň ranked second with 168,700 sq m, followed by Greater Prague, where 112,600 sq m was available.

- Despite the relatively low nationwide vacancy rate, the market continues to carry a sizeable volume of uncommitted speculative space completed to shell & core stage. Although excluded from the official vacancy rate, this space represents additional competing supply. Including it would raise the nationwide vacancy rate from 5.0% to 7.3%.



NATIONWIDE VACANCY STABILIZED, WHILE PLZEŇ AND MORAVIA-SILESIA RECORDED THE HIGHEST TOTAL AVAILABILITY



Source: Savills Research

Selected regional rents below €5.00

RENT LEVELS

- Headline rents remained largely unchanged throughout 2026, with no movement recorded in Q3. Prime schemes retain their rental premium, while competition between landlords is increasingly reflected in deal structures and incentives rather than adjustments to headline rents.
- In Greater Prague, Grade A units of approximately 5,000 sq m were typically offered at €6.50–€7.50 per sq m per month. Despite representing a relatively small pool of schemes, Prague City remained the most expensive submarket, with headline rents reaching €9.50–€10.50 per sq m per month. Such pricing reflects the continued importance of proximity to the capital's urban consumer base, labour pool and established transport infrastructure.
- Rents for ancillary office and sanitary areas remained at €10.50–€12.00 per sq m per month, with rates in Prague City sitting slightly above the wider market.
- The SBU segment maintained its distinct rental profile, with units below 1,000 sq m typically achieving €8.50–€9.50 per sq m per month and prime locations reaching up to €12.25. The premium over large-format warehouse space reflects the specific requirements of smaller occupiers and the more limited availability of suitable units. Blended rental structures and CZK-denominated quotations also remained common.
- Across the regions, headline rents generally stood at €5.30–€6.00 per sq m per month, although the market remained far from uniform. South Moravia and selected locations in Central Bohemia occupied the upper end of the regional spectrum. By contrast, Plzeň, Ústí nad Labem, Moravian-Silesian and Karlovy Vary continued to offer some of the most competitive rental levels, with selected schemes quoting rates close to €5.00 per sq m per month.

> Headline rents remain stable but vary considerably across locations and individual properties.

- Leasing incentives also remained broadly stable, with landlords typically offering three to five months' rent-free on five-year leases. Additional fit-out contributions continued to feature in negotiations, particularly in regional markets.
- Monthly service charges held within the €0.95–€1.30 per sq m range. However, comparability between schemes remains limited by differences in cost allocation, as local real estate tax, property insurance and property management fees are frequently charged separately.

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

Savills plc is a global real estate services provider listed on the London Stock Exchange. We have an international network of more than 700 offices and associates throughout the Americas, the UK, continental Europe, Asia Pacific, Africa, India and the Middle East, offering a broad range of specialist advisory, management and transactional services to clients all over the world. This report is for general informative purposes only. It may not be published, reproduced or quoted in part or in whole, nor may it be used as a basis for any contract, prospectus, agreement or other document without prior consent. While every effort has been made to ensure its accuracy, Savills accepts no liability whatsoever for any direct or consequential loss arising from its use. The content is strictly copyright and reproduction of the whole or part of it in any form is prohibited without written permission from Savills.