BRAZIL

INVESTMENTS Q2 2026

CUSHMAN & WAKEFIELD

ECONOMIC INDICATORS

	YOY Chg	12-Mo Forecast
1.1% GDP (2026Q1- Quarterly Variation)	▼	▬
5.6% Unemployment Rate (2026Q1)	▼	▼
4.72% IPCA (12 months)	▼	▲
8.15% NTN-B 2035	▼	▼

Source: LCA

	YOY Chg	12-Mo Forecast
9.51% Average Cap Rate	▲	▬
4.8 Bn Total Volume (BRL)	▲	▲
28 Total Properties Sold	▼	▲
879 K Area (sq.m)	▲	▲

(all classes)

ECONOMIC SCENARIO

In the first quarter of 2026, GDP grew by 1.1% compared to the previous quarter. The result was driven by Agriculture (+2.0%), Industry (+1.0%), and Services (+0.5%). From the demand side, the main highlights were Gross Fixed Capital Formation (+3.5%), Household Consumption (+1.0%), and Government Consumption (+0.4%), while Exports declined by 1.7% and Imports increased by 4.4%.

The IPCA accumulated an increase of 4.72% over the 12 months ending in May. The main inflationary pressures came from the Food and Beverages, Housing, and Health and Personal Care categories, while Transportation recorded a negative variation.

The labor market remains resilient, with the unemployment rate at 5.6% in May, remaining close to the lowest levels in the historical series.

In June, the Monetary Policy Committee (Copom) reduced the Selic rate to 14.25% p.a., highlighting the moderation of economic activity while maintaining caution due to inflation remaining above target and ongoing external uncertainties.

In the United States, GDP grew 2.1% in the first quarter of 2026. The unemployment rate remained at 4.1%, and inflation reached 4.25%. At its latest meeting, the Federal Reserve kept the federal funds rate within the 3.50%–3.75% range, emphasizing the strength of economic activity and the persistence of inflationary pressures.

MARKET OVERVIEW

During the second quarter of 2026, 28 real estate transactions were recorded, totaling approximately BRL 4.8 billion in transaction volume and 879 thousand square meters of transacted area.

The average capitalization rate of the transactions was 9.5% p.a. The industrial segment accounted for the majority of market activity during the period, representing 61% of total transaction volume and more than 96% of the transacted area. The sector recorded 15 transactions, totaling approximately BRL 2.9 billion.

The retail segment registered 7 transactions worth BRL 1.4 billion, while the office market recorded 6 transactions with an aggregate transaction volume of approximately BRL 531 million. Overall, the quarter was marked by the prominence of industrial and logistics assets and the continuation of a selective investment environment, in which well-located assets with stable income generation and strong operating fundamentals continued to attract investor interest.

MARKET STATISTICS

PROPERTY TYPE	TRANSACTIONS	SALES VOLUME (BRL)	TOTAL SQ.M	PRICE/SQ.M	CAP RATE
Retail	7	1,366,763,895	10,686	28,989	7.8%
Office	6	530,669,080	19,675	18,044	9.2%
Industrial	15	2,944,467,644	848,960	3,468	10.3%
Total	**28**	**4,841,900,620**	**879,321**	**4,105**	**9.5%**

Office

The office segment recorded 6 transactions in the second quarter of 2026, totaling BRL 530.7 million in transaction volume and 19,675 square meters of transacted area. The average price reached BRL 18,044/m², while the average capitalization rate was 9.15% p.a. Transactions were primarily concentrated in São Paulo, with the acquisition of the Oscar Freire Office Building by Prime Offices FII (TSER11) standing out.

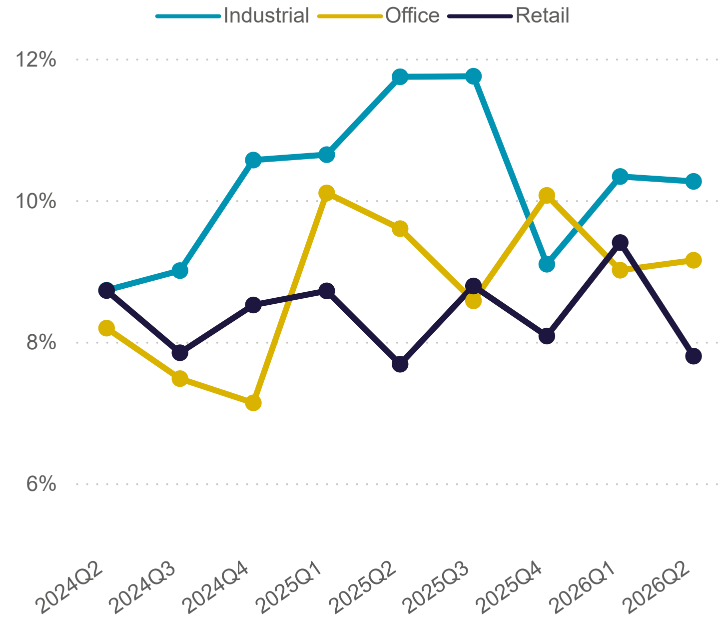
Industrial

The industrial segment led the market in the second quarter of 2026, recording 15 transactions, BRL 2.9 billion in transaction volume, and approximately 850 thousand square meters of transacted area. The average price reached BRL 3,468/m², and the average capitalization rate was 10.26% p.a. The main highlight was the acquisition by XP Log FII (XPLG11) of a logistics portfolio valued at approximately BRL 919 million.

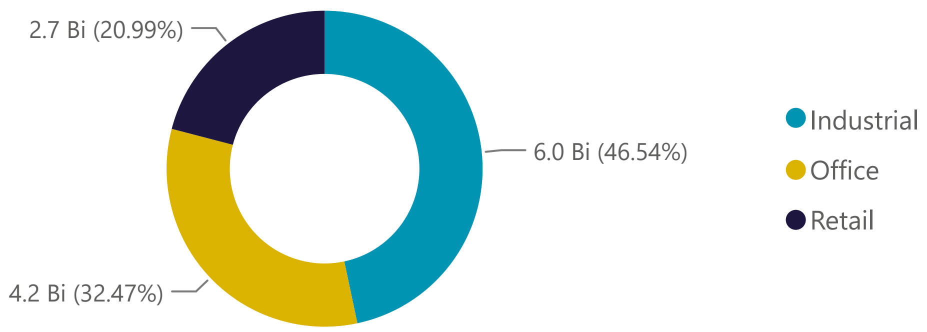
Retail

The retail segment recorded 7 transactions, totaling BRL 1.4 billion in transaction volume. The average price was BRL 28,989/m², and the average capitalization rate reached 7.80% p.a. The key transaction of the quarter was the acquisition of a portfolio of properties leased to major retailers, including Sam's Club, Grupo Mateus, Assaí Atacadista, and Carrefour, in a transaction valued at approximately BRL 672 million.

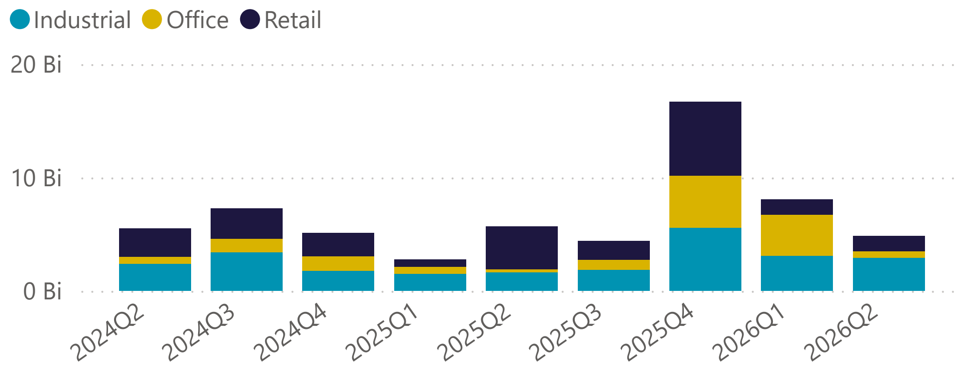
CAP RATE TRENDS BY SECTOR



2026 YTD CAPITAL VOLUME BY PROPERTY TYPE



CAPITAL VOLUME (BRL) BY PROPERTY TYPE



MAIN TRANSACTIONS

NAME	PROPERTY TYPE	BUYER	SELLER	TOTAL SQ.M	PURCHASE PRICE (BRL)	PRICE / SQ.M	REGION
Loja e Sobreloja Edifício Center I	Retail	-	NewPort Renda Urbana FII (NEWU11)	2,399	16,000,000	6,671	Recife
Pernambucanas	Retail	-	Pátria Renda Urbana FII (HGRU11)	657	4,900,000	7,458	Concórdia
Pernambucanas	Retail	-	Pátria Renda Urbana FII (HGRU11)	874	5,000,000	5,721	Marechal Cândido Rondon
Sam's Club Jabaquara/SP, Grupo Mateus Juazeiro/BA, Petrolina/PE, Belém/PA, Assaí Atacadista Campina Grande/PB, Paulo Afonso/BA, Piracicaba/SP, Jequié/BA e Carrefour Jaboatão dos Guararapes/PE	Retail	-	TRX REAL ESTATE FUNDO DE INVESTIMENTO IMOBILIÁRIO | TRX REAL ESTATE II FUNDO DE INVESTIMENTO IMOBILIÁRIO		672,000,000		São Paulo,Petrolina, Belém, Campina Grande, Paulo Afonso, Piracicaba, Jequié e Jaboatão dos Guararapes
Shopping Curitiba	Retail	Patria Malls - PMLL11 + Dois compradores	-	2,976	56,955,038	19,138	Curitiba
Shopping Eldorado, Plaza Sul Shopping, Shopping Pátio Higienópolis	Retail	Patria Malls FII - PMLL11	RBR Plus Multiestrtegia Real Estate FII - RBRX11		384,999,765		São Paulo
Shopping Pátio Paulista	Retail	Iguatemi (CSC 41); Shopping Pátio Paulista FII (SHPP11); Funcef	BB Premium Malls FII (BBIG11)	3,780	226,909,091	60,029	São Paulo
Box 298 / Módulo Rebouças / Estácio de Sá / ITower Iguatemi	Office	ZAGROS MULTIESTRATEGIA FUNDO DE INVESTIMENTO IMOBILIÁRIO			93,415,000		São Paulo / Barueri / Macaé
Dynamic Faria Lima	Office	TRX Real Estate FII - TRXF11	Lucio Engenharia	8,258	130,000,000	15,742	São Paulo
Edifício Oscar Freire Office	Office	Prime Offices FII (TSER11)	Capitânia Office FII (CPOF11)	5,265	132,000,000	25,071	São Paulo
LAC Corporate Boutique	Office		RBR Desenvolvimento Comercial I FII + coproprietários		82,235,671		São Paulo
Parque Cultural Paulista	Office	-	TELLUS PROPERTIES - FUNDO DE INVESTIMENTO IMOBILIÁRIO	1,119	15,939,114	14,250	São Paulo
Parque Cultural Paulista	Office	FII Rio Bravo Renda Corporativa	TELLUS PROPERTIES - FUNDO DE INVESTIMENTO IMOBILIÁRIO	5,034	77,079,295	15,313	São Paulo
4 Galpões Logísticos	Industrial	TRX Real Estate FII - TRXF11	-	21,687	82,500,000	3,804	Osório e cidades de Santa Catarina, Minas Gerais e Rio Grande do Sul
BLOG Camaçari III	Industrial	Zagros Renda Imobiliária FII (GGRC11)		27,566	82,500,000	2,993	Camaçari

MAIN TRANSACTIONS

NAME	PROPERTY TYPE	BUYER	SELLER	TOTAL SQ.M	PURCHASE PRICE (BRL)	PRICE / SQ.M	REGION
Centro de Distribuição Novo Mundo	Industrial	Riza Fortix FII	Novo Mundo S.A.	44,824	75,000,000	1,673	Goiânia
Condomínio Modular Piracicaba II | Condomínio Barão de Mauá | Condomínio Brazilian Business Park Gaia Ar e Gaia Terra Figueira | GLP Jundiaí I | GLP Jundiaí II	Industrial	XP Log FII (XPLG11)	-	306,084	919,092,611	3,003	Multicidades
Condomínio Raposo/Sanca	Industrial	Zagros Renda Imobiliária FII - GGRC11	Jive Ativos Imobiliários II FII RL	20,516	121,255,233	5,910	São Paulo
CPLG Amazon São José dos Pinhais	Industrial	Capitânia Logística FII (CPLG11)	-	46,743	392,300,000	8,393	São José dos Pinhais
Distribution Park Embu II + Dutra	Industrial	XP Log Prime Yield II FII	-	161,514	587,382,629	3,637	Embu das Artes / Rio de Janeiro
Galpão C do Infinity Business Park	Industrial	Zagros Renda Imobiliária FII - GGRC11	Vinci Fulwood Desenvolvimento Logístico FII - VFDL11	38,085	142,520,625	3,742	Extrema
Galpão em desenvolvimento do condomínio logístico do “CD3”	Industrial	Zagros Renda Imobiliária FII - GGRC11	-	54,000	150,000,008	2,778	Camaçari
GLP Jundiaí I e II	Industrial	XP Log FII (XPLG11)	Invista Brazilian Business Park FII	9,119	32,277,397	3,540	Jundiaí
Pouso Alegre Business Park, correspondente ao galpão B.2 (módulos 1, 2, 5 e 6)	Industrial	Zagros Renda Imobiliária FII - GGRC11	-	23,720	96,473,689	4,067	Montividiu
URDI CBBP (49,25%)	Industrial	HCO São Paulo I FII	Panorama Desenvolvimento Logístico FII (PNDL11)	17,718	71,488,453	4,035	Barueri

PROJECTIONS AND TRENDS

The outlook for the Brazilian economy remains positive for 2026, although growth is expected to be more moderate compared to previous years. Projections indicate GDP growth of 2.0%, supported mainly by the performance of the services sector (+2.1%) and industry (+2.0%), while agriculture is expected to post a more modest expansion of 1.2%. From the demand perspective, household consumption is expected to remain one of the main drivers of economic activity, increasing by 1.9% during the period.

In the labor market, favorable conditions are expected to persist, with the average unemployment rate projected at 5.4% and continued expansion of employment levels. Growth in households' real income should continue to support domestic consumption, contributing to the resilience of economic activity even in an environment of still-elevated interest rates.

Regarding prices, inflation is expected to close 2026 at 5.4%, remaining above the midpoint of the inflation target. In this context, monetary policy is expected to remain cautious, with the Selic rate projected at 14.25% by year-end. Despite expectations of gradual inflation convergence over the coming periods, the Central Bank is likely to maintain a vigilant stance given the risks associated with services inflation, fiscal conditions, and external uncertainties.

In the external sector, projected export growth of 5.7% and import growth of 2.0% suggest continued strength in Brazil's international trade. The exchange rate is expected to remain relatively stable, with the Brazilian real projected at BRL 5.30 per U.S. dollar by the end of 2026, contributing to greater predictability for investment flows and corporate decision-making.

For the income-producing real estate market, the combination of resilient economic activity, a strong labor market, and the prospect of a gradual stabilization of financial conditions is expected to continue supporting investor interest in high-quality real estate assets. The industrial and logistics segment should remain a standout performer, driven by demand for modern, well-located assets. In the office market, preference for high-end corporate buildings located in established business districts is expected to persist, while the retail segment should continue benefiting from the gradual recovery of household consumption and the search for assets capable of generating stable income streams.

Overall, a continuation of a selective investment environment is expected, characterized by a preference for assets with strong operating fundamentals, robust lease agreements, and predictable cash flow generation potential. In this context, the continuation of the interest rate easing cycle over the coming years could support a gradual recovery in liquidity and transaction activity within the Brazilian real estate market.

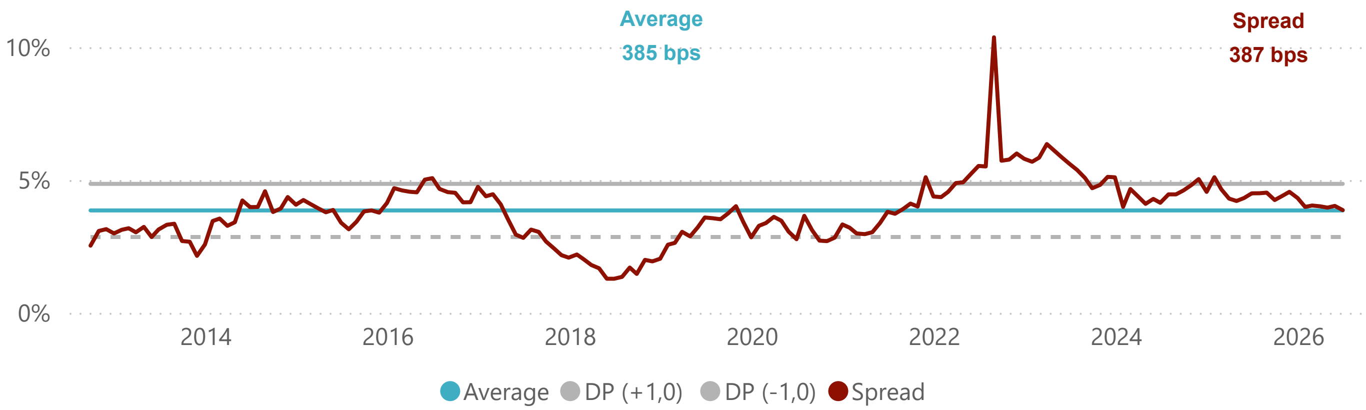
REAL ESTATE INVESTMENT TRUST

The real estate investment fund market posted negative performance during the second quarter of 2026, with the IFIX declining by 1.53% over the period. Despite the index's depreciation, real estate funds continued to offer attractive income distribution returns. In June 2026, the IFIX Dividend Yield reached 12.02%, while the NTN-B 2035 closed the period at 8.15%, resulting in a spread of 387 basis points, still above the historical average observed for the market.

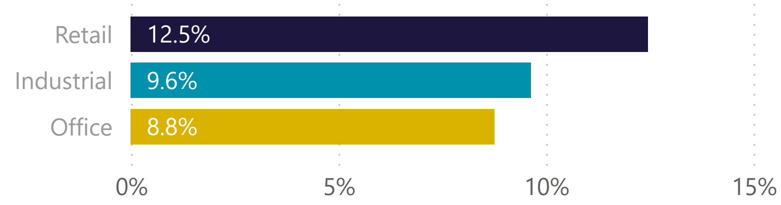
Revenue composition remains concentrated in inflation-linked assets, with a predominance of indices linked to IPCA and IGP-M. In addition, portfolio structures continue to be characterized by long-term maturities, with approximately 59% of projected cash flows concentrated in periods beyond 2029.

In an environment of still-elevated interest rates and greater investor selectivity, real estate investment funds continue to offer potential for recurring income generation and portfolio diversification, particularly those backed by high-quality assets, long-term lease agreements, and inflation-protected revenues.

Spread NTN-B 2035 & Dividend Yield IFIX



Dividend Yield by sector



Market Cap by sector

QoQ Chg

2.79%
Average 3 months DY (2026Q2)

11.85%
Average 12 months DY(2026Q2)

0.80
MC/Net Worth (2026Q2)

8.55%
Average profitability (2026Q2)

REITs by sector

Note: 221 brick REITs were considered in this report

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