MARKETBEAT
PORTUGAL
INVESTMENT Q4 2025

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
€2,850m Total Volume	▲	▬
€708m Office Volume	▲	▲
€847m Retail Volume	▼	▼
€567m Hospitality Volume	▲	▲
€298m Industrial Volume	▲	▲

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
1.9% GDP Growth	▼	▲
6.6% Investment Growth	▲	▼
6.1% Unemployment Rate	▼	▼
3.1% 10-Yr Treasury Yield	▲	▬

Source: Moody's Analytics

ECONOMY: GDP GROWTH EXPECTED TO ACCELERATE TO 2.3% IN 2026

According to Moody's Analytics, Portuguese GDP grew by 1.9%, in 2025 and it is expected to accelerate to 2.3% in 2026 before normalizing to 1.9% in 2027, reflecting moderate but resilient growth. Exports, though facing some challenges, grew by 1.2% in 2025 and are expected to accelerate in the short term (+ 3.4% in 2026), while domestic demand remains a key driver of the economy, with private consumption expanding by 3.5% in 2025. The inflation rate is anticipated to moderate gradually, reaching 2.3% in 2025 and stabilizing below 2.0% in 2026 and 2027. The labor market remains resilient, with the unemployment rate forecast to continue its downward trend, falling from 6.1% in 2025 to 5.7% in 2026 and 5.4% in 2027.

INVESTMENT: 17% RISE ON YEAR-END INVESTMENT VOLUME IN 2025

Commercial real estate investment reached €852 million in the fourth quarter of 2025, contributing to a year-end total volume of €2,850 million, representing a year-on-year rise of 17%.

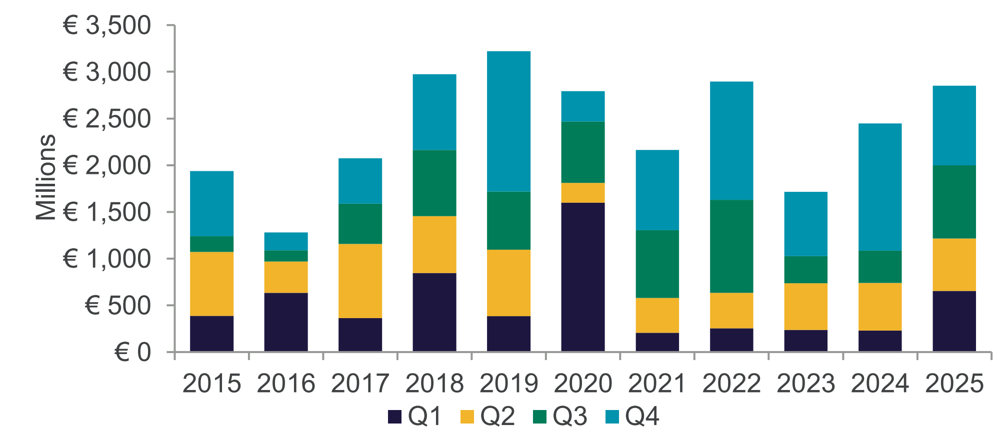
The five largest transactions accounted for a third of the amount invested in 2025 with the average value per transaction reaching €27 million, in a total of more than 100 transactions.

Retail represented 30% of the investment volume in 2025, with 70% of the retail investment concentrated in shopping centers, with the sale of Alegro Setúbal (50%) being in the top three main transactions of the last quarter of the year. The sale of Exeo Office Campus – Lumnia for €115-125 million and the sale of Torres do Colombo – Torre Oriente for €80-90 million were the largest deals of the quarter and contributed to office sector accounting for 25% of the total volume and more than doubling the investment volume of 2024. Hospitality maintained its appeal representing 20% of the total investment, reflecting sustained interest in leisure and tourism assets with investments concentrated in upscale and luxury assets - with the sale of Le Monumental Porto Palace being the largest transaction in this sector in Q4 2025.

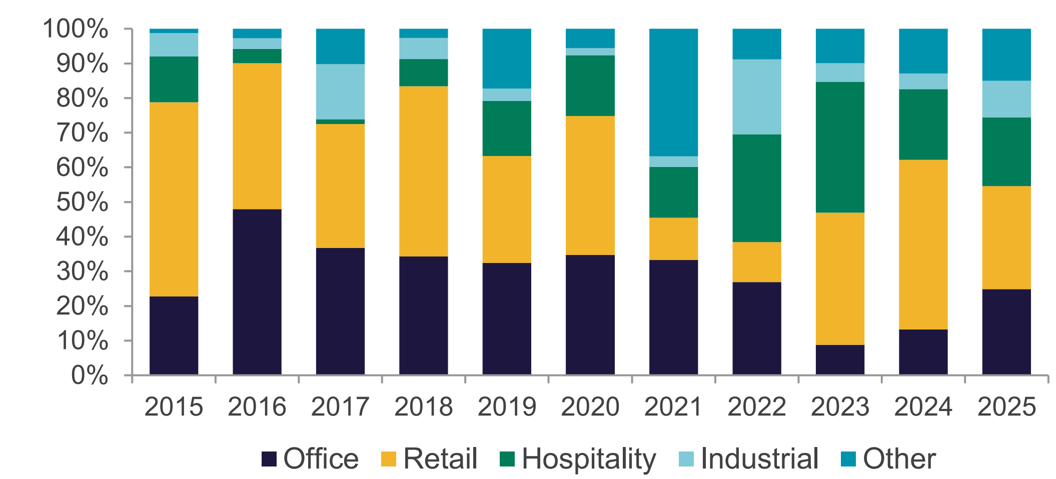
During the fourth quarter, the retail sector recorded a prime yield compression of 10 basis points in shopping centres and retail parks. Other sectors remained stable.

Prime yields currently stand at 5.00% for offices, 4.00% for high street retail, 5.50% for logistics, 6.15% for shopping centers and 6.40% for retail parks.

INVESTMENT SALES VOLUME



INVESTMENT SALES VOLUME BY SECTOR



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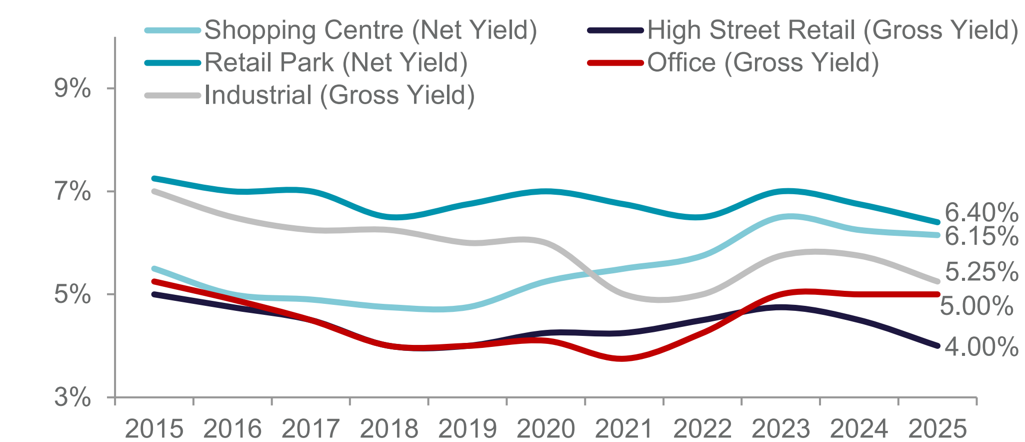
INVESTMENT ACTIVITY

PROPERTY TYPE	NR. OF DEALS	TOTAL VOLUME (€M)	AVERAGE DEAL SIZE
Office	25	€708 M	€28 M
Retail	35	€847 M	€24 M
Hospitality	16	€567 M	€35 M
Industrial	23	€298 M	€13 M
Other	8	€430 M	€54 M
TOTAL	**107**	**€2,850 M**	**€27 M**

PRIME YIELDS BY SECTOR

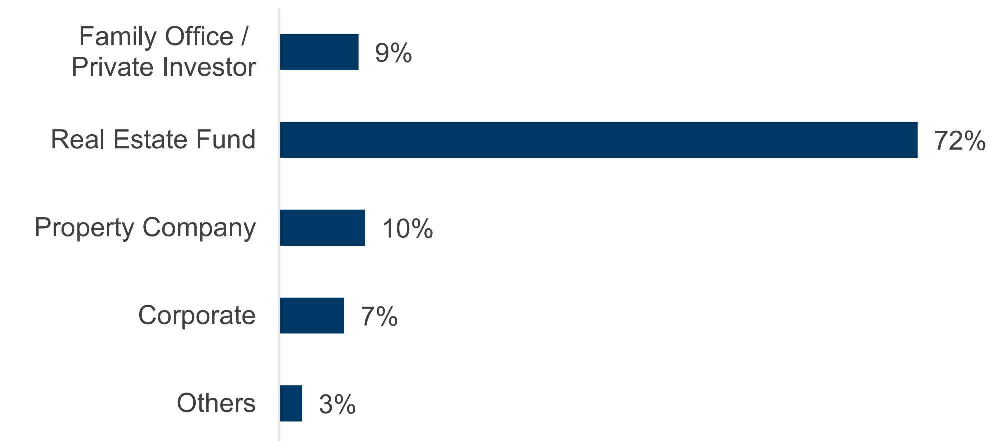


MAIN INVESTMENT TRANSACTIONS Q4 2025

PROPERTY NAME	SECTOR	MARKET	AREA (SQ.M)	SELLER	BUYER	PRICE (€M)*	YIELD (%)
Exeo Office Campus - Lumnia	Office	Lisbon	27,600	Avenue	Family Office	€115-125 M	-
Torres do Colombo – Torre Oriente	Office	Lisbon	28,440	Union Investment	Sonae Sierra / Bankinter Investment	€80-90 M	-
Alegro Setúbal (50%)	Retail	Setúbal	24,500	CBRE IM (Alaska Permanent Fund Corporation)	Grupo Auchan (Tiekenveen Holding B.V.)	€55-65 M	-
Le Monumental Palace Porto	Hospitality	Porto	76 keys	The Keys	H10 Hotels	€50-55 M	-
50% JV Logistics Europi	Logistics	Several Locations	-	Caprock / Europi	Incus Capital	€50-55 M	-

*Note: Values are indicative

TOTAL INVESTMENT BY CAPITAL SECTOR 2025



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