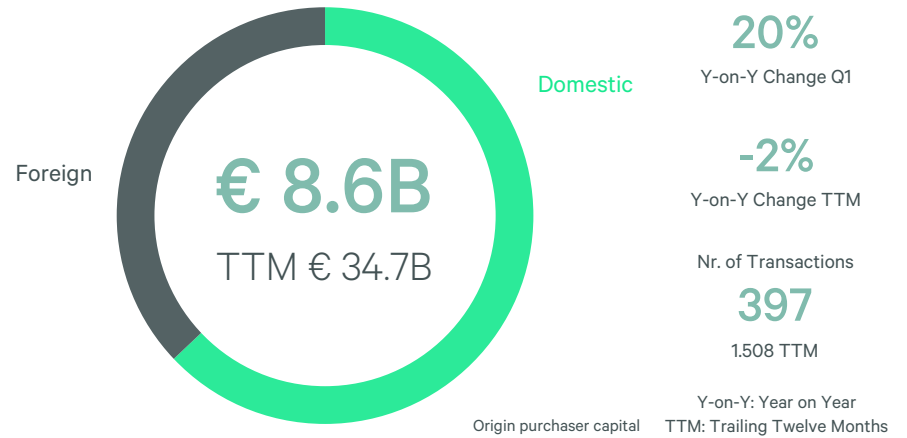
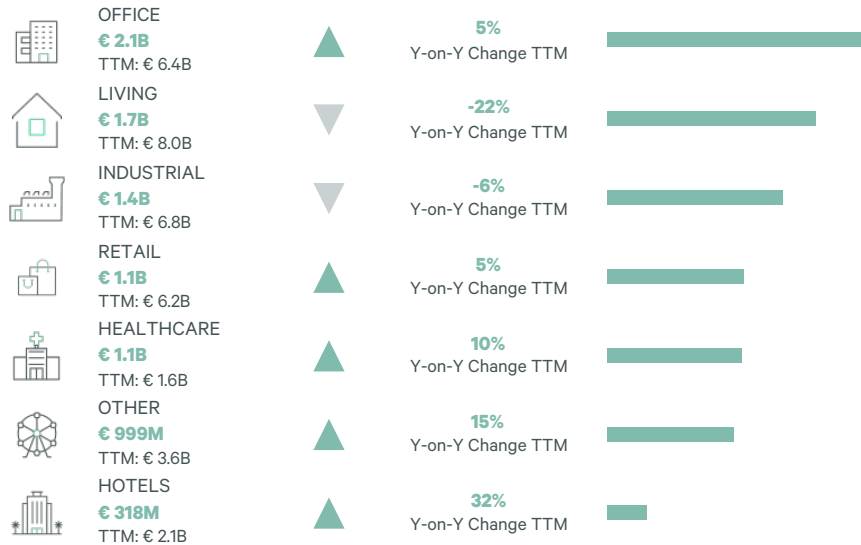


The German real estate investment market started 2026 with a fairly dynamic momentum, at least until the most recent geopolitical escalation in the Middle East. While most ongoing transactions were continued, many market participants have since become noticeably more cautious with regard to new processes. Investment volume in Q1 2026 amounted to around €8.6bn. The transaction structure was clearly shaped by single-asset transactions. Large-volume investments continued to be characterized by high selectivity and a limited supply of marketable products. Transactions above €100m increased significantly in both volume and number compared with Q1 2025 but still did not reach the levels seen in earlier years.

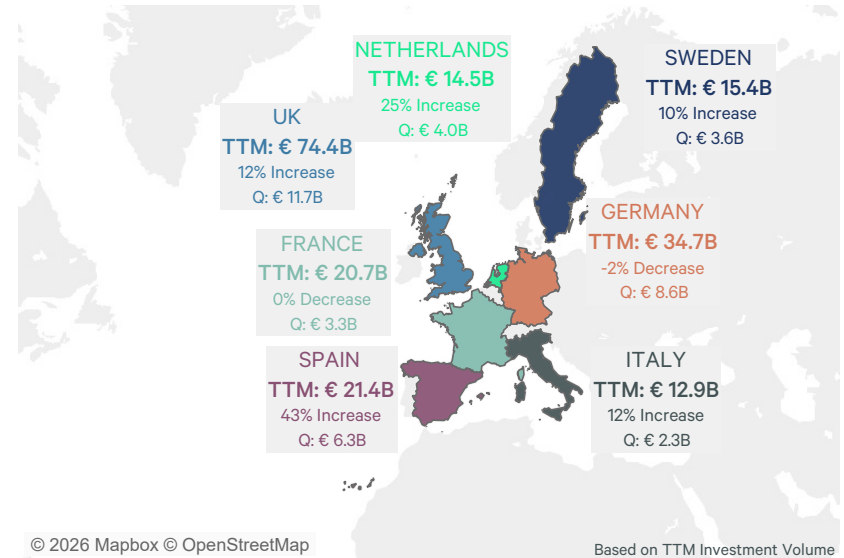
Office properties recorded both the highest market share and the largest absolute increase, and half of the largest transactions above the €50m threshold were attributable to this asset class; the residential segment followed in second place and achieved a market share of around one fifth while although despite a still high volume, the result was clearly below the prior-year level. Prime net initial yields remained stable across most markets and across the Top 7 locations, the current yield for prime office properties stands at an average of 4.73%.



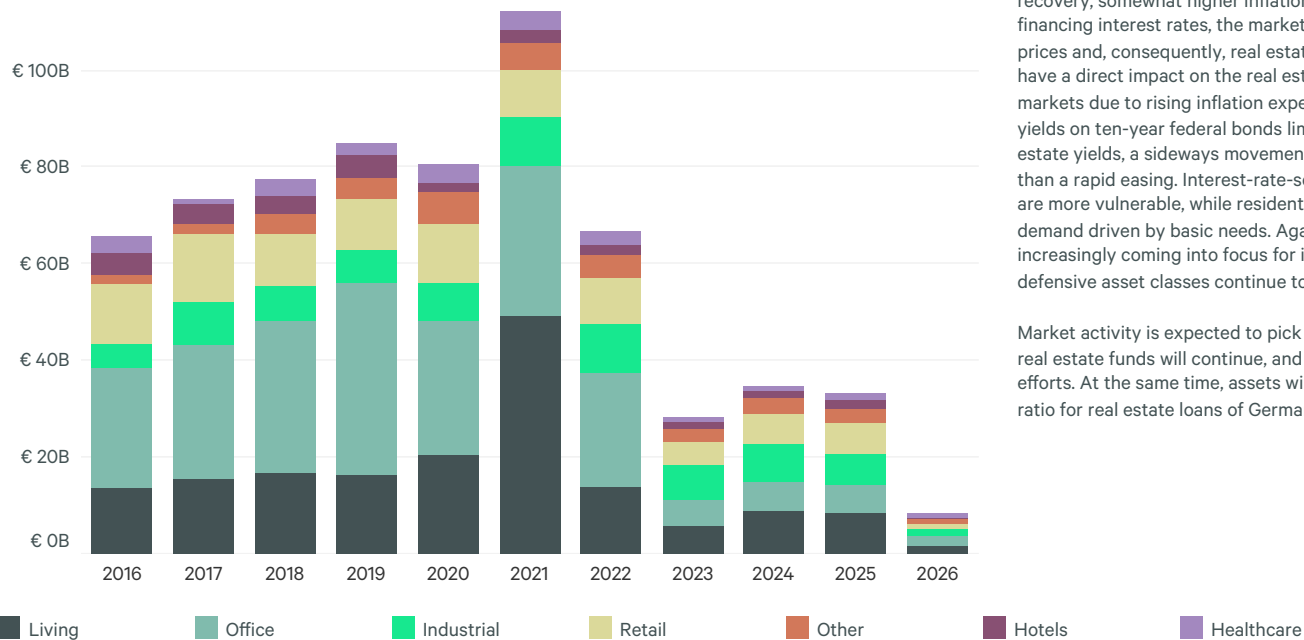
### Investment by Sector (Germany)



### Investment in Top 7 European Countries



### Investment Volumes Annual by Sector (Germany)



Note: 2026 annual numbers till 31.03.2026

### Contacts

**Dr. Jan Linsin**  
 Head of Research  
 jan.linsin@cbre.com  
 +49 69 170077404

**Anja Scholz**  
 Associate Director  
 anja.scholz@cbre.com  
 +49 211 86066149

**Marcus Lemli**  
 Head of Capital Markets Germany  
 marcus.lemli@cbre.com  
 +49 69 170077297

**Sandro Höselbarth**  
 Head of Valuation Advisory Services  
 Germany  
 sandro.hoeselbarth@cbre.com  
 +49 151 15150681

© Copyright 2026. All rights reserved. This report has been prepared in good faith, based on CBRE's current anecdotal and evidence based views of the commercial real estate market. Although CBRE believes its views reflect market conditions on the date of this presentation, they are subject to significant uncertainties and contingencies, many of which are beyond CBRE's control. In addition, many of CBRE's views are opinion and/or projections based on CBRE's subjective analyses of current market circumstances. Other firms may have different opinions, projections and analyses, and actual market conditions in the future may cause CBRE's current views to later be incorrect. CBRE has no obligation to update its views herein if its opinions, projections, analyses or market circumstances later change.

Nothing in this report should be construed as an indicator of the future performance of CBRE's securities or of the performance of any other company's securities. You should not purchase or sell securities—of CBRE or any other company—based on the views herein. CBRE disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CBRE as well as against CBRE's affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.

Given the geopolitical challenges and the associated current slowdown in the economic recovery, somewhat higher inflation expectations, and rising capital market and financing interest rates, the market faces the prospect of a further recalibration of prices and, consequently, real estate yields. The recent increase in oil prices does not have a direct impact on the real estate market but does increase pressure on the capital markets due to rising inflation expectations. In Germany, the currently elevated level of yields on ten-year federal bonds limits the scope for further yield compression. For real estate yields, a sideways movement or moderate upward pressure appears more likely than a rapid easing. Interest-rate-sensitive and energy-intensive use types in particular are more vulnerable, while residential properties remain comparatively stable due to demand driven by basic needs. Against this backdrop, ongoing income streams are increasingly coming into focus for investors – stable cash flows, long lease terms, and defensive asset classes continue to gain in importance.

Market activity is expected to pick up due to a larger supply of products. Open-ended real estate funds will continue, and in some cases even intensify, their portfolio clean-up efforts. At the same time, assets will also be brought to the market by banks, as the NPL ratio for real estate loans of German banks is the highest in a European comparison.

