Intelligent Investment

European Retail Market Summary 2025

REPORT

CBRE RESEARCH
MARCH 2026

Executive Summary

CBRE collects key performance indicators (KPIs) from many of the Continental European retail assets we manage. With these insights, we are in a strong position to understand retail performance and proactively manage and lease our assets. We have produced the European Shopping Centres Performance Index since 2021. In this report, we explore the key findings for 2025.

In 2025, European shopping centres saw a steady recovery, underpinned by stable vacancy, healthy leasing activity, and moderate tenant rotation. Experience shopping centres and Retail Parks still dominated the Index performance, demonstrating a consumer preference for variety and convenience. This dual preference underscores the evolving landscape of retail assets in Europe, which continue to adapt to consumer demands.

Key findings:

01 Visitor numbers grew by 1.7% YoY, still 2.1% behind the pre-pandemic level

02 Annual sales increased, on average, by 2.3% YoY

03 The vacancy rate saw a moderate compression, to 5.6%

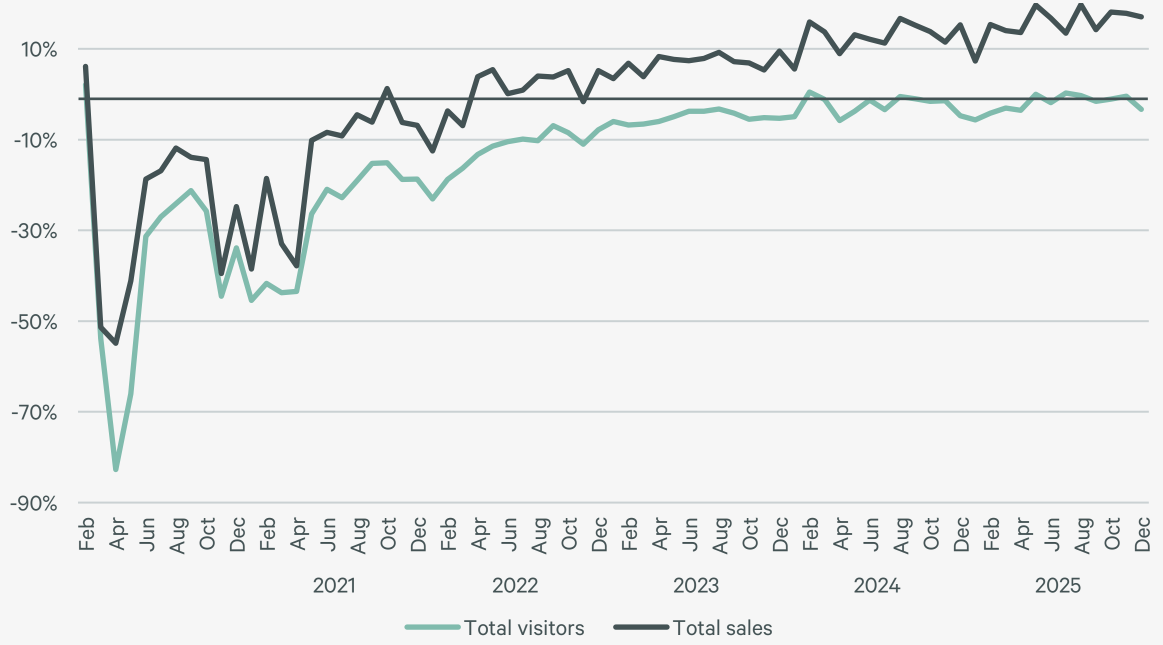
149

Analysed retail assets in 12 European countries

4.6

Million sq m of total retail space

Figure 1: Visitors and sales development vs 2019



Source: CBRE European Shopping Centres Performance Index

Asset types – shopping centres:

Experience

Regional shopping centres with optimal size, commercial mix, and leisure to attract customers within a one-hour drive. Absolute leaders in their primary, secondary, and tertiary areas.

Mall

Centres outside the inner city, mainly standalone schemes with a local function. The centres are autonomous shopping destinations with full-service offerings. The offerings (retail mix, services, parking etc.) and the quality of the offerings depend largely on the size of the centre.

Inner-City

An all-purpose shopping centre that could be either closed or open air. The offer typically includes fashion, apparel, shoes, home furnishing, luxury, etc.

Visitors

In 2025, European retail assets recorded modest 1.7% YoY growth in visitor numbers. Performance was uneven across quarters: the first quarter grew by 0.1% YoY, followed by stronger results in Q2, Q3, and Q4, with increases of 2.1%, 2.3%, and 2.3% YoY, respectively.

The weaker Q1 result was influenced by the timing of the Easter holiday, which fell on an April date and boosted the Q2 result. The strongest increase appeared in July, when visitor numbers rose by 3.6% YoY, marking the peak of the year. Another significant increase took place in the last quarter, driven by Black Friday, which encouraged consumers to bring forward part of their Christmas shopping forward. As a result, the seasonal uplift is now increasingly spread across both November and December, rather than being concentrated solely in December as was typical in pre-pandemic years.

The positive dynamic during the second half of the year was consistent across all asset types. Each category recorded a YoY increase, though the pace of growth varied. Retail Parks continued to outperform, with a 5.8% increase, maintaining their position as the most resilient asset type. Experience shopping centres followed with a 1.1% rise, while Inner-City shopping centres and Malls saw only marginal growth of 0.9% and 0.5%, respectively.

Retail Parks were the only asset type to exceed their 2019 performance, with a 21.6% increase, while Experience shopping centres saw footfall in line with pre-pandemic levels. These results reaffirm the continued consumer preference for convenience and variety, with Retail Parks and Experience centres leading the way in recovery and engagement.

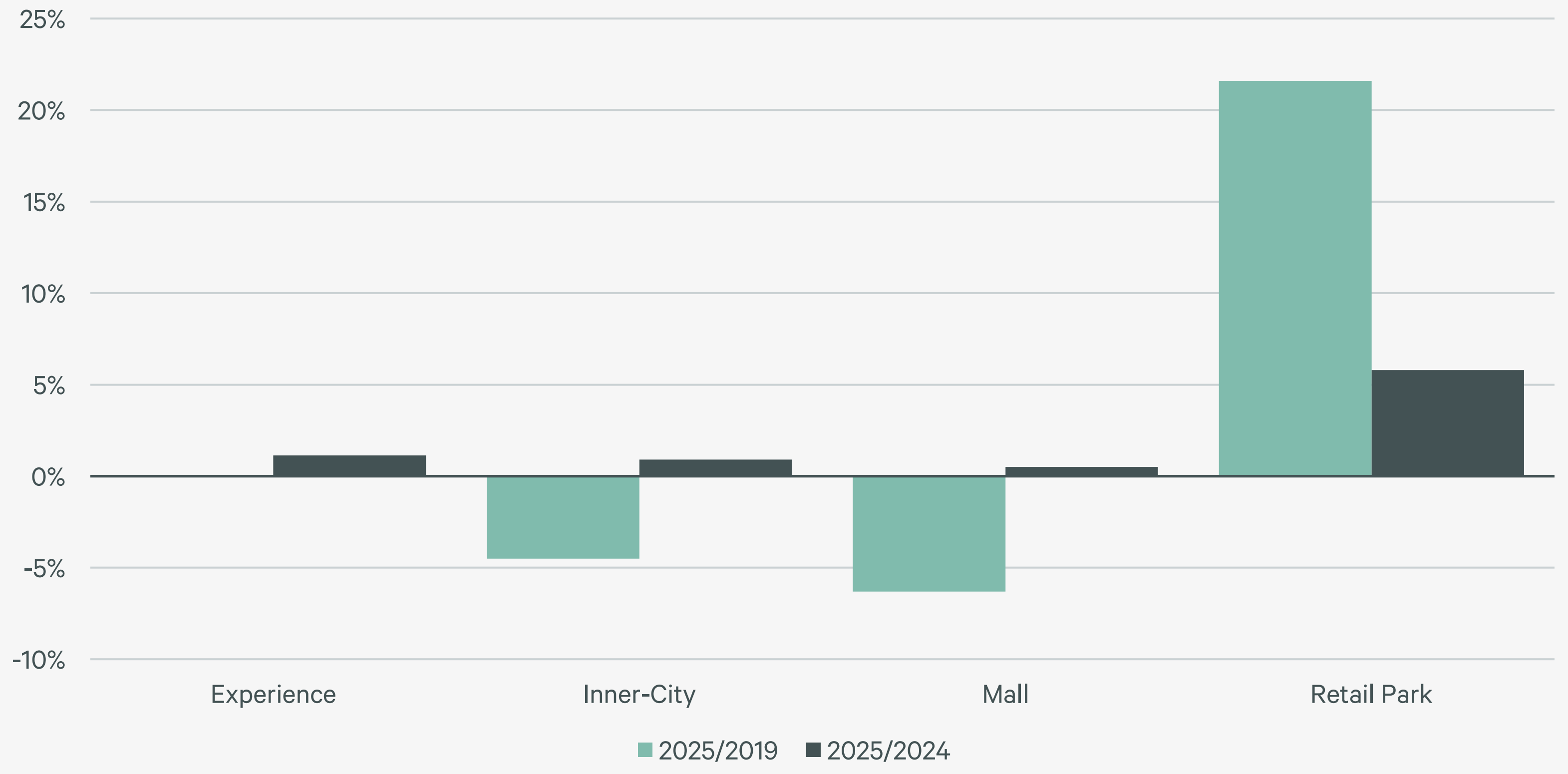
-2.1%

Less visitors in 2025 compared with 2019

1.7%

Increase in visitor numbers YoY in 2025 compared with 2024

Figure 2: Visitors' development in selected asset types (YoY)



Source: CBRE European Shopping Centres Performance Index

Sales

In 2025, European retail assets recorded a 2.3% YoY increase in sales. Despite a persistent disconnect between consumer confidence and spending, sales remained resilient, though uneven across quarters. The year began with a sluggish Q1, showing only 0.1% YoY growth, followed by a stronger Q2 performance, where sales rose by 3.6% YoY. More positive results were registered in Q3 and Q4, with 2.5% and 2.7% YoY growth, respectively. This pattern mirrored the visitor dynamics, suggesting that seasonal factors and promotional activity play a role in stimulating consumer engagement in factors such as Easter Holidays (March-April) and Black Friday and Christmas campaigns (November-December).

Among asset types, Inner-City and Experience shopping centres led growth, with an increase 3.4% YoY and 2.9% YoY, respectively, maintaining their momentum from 2024. In contrast, Retail Parks fell short of expectations, with only 1.3% YoY growth, marking a slowdown compared to their previously strong performance.

From a sector perspective, Household & Furniture was the standout performer, achieving 3.1% YoY growth, supported across all subsectors, especially DIY. Notable contributors to overall growth included Electronics, Fashion, Food, Food & Beverage, Leisure, and Speciality Retail, all of which saw an increase above 2% YoY, respectively. Services remained flat and Sports experienced a decline of 1.9%, making it the only sector with a negative performance in 2025. However, the fall in this category represents a normalisation after several years of strong growth.

15.7%

Higher sales in 2025 compared with 2019

2.3%

Increase in sales YoY in 2025 compared with 2024

Figure 3: Sales development in selected asset types (YoY)

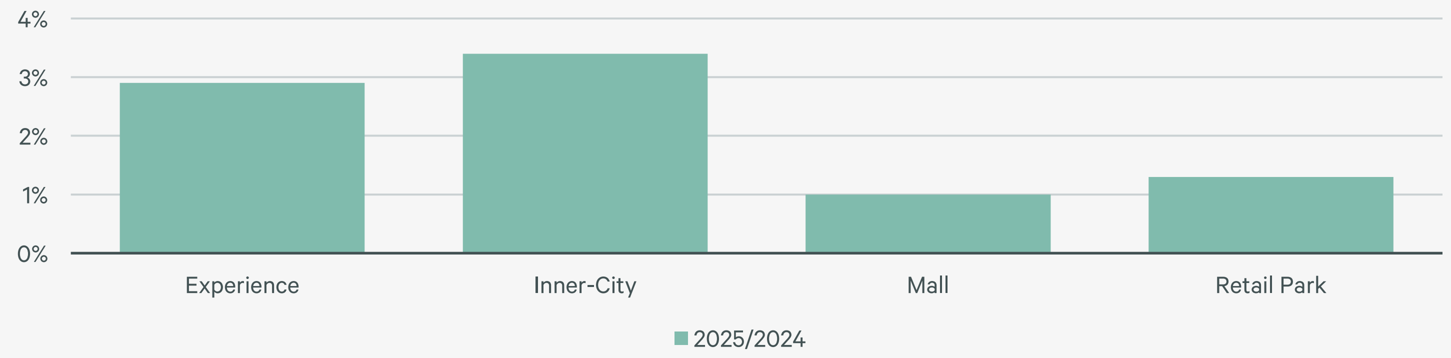
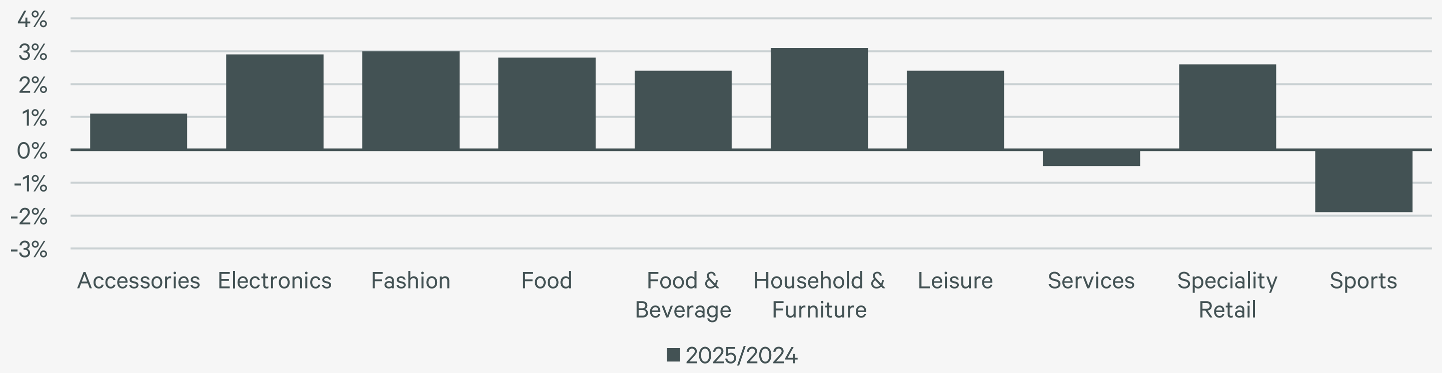


Figure 4: Sales development by sector (YoY)



Source: CBRE European Shopping Centres Performance Index

Rents and service charges

In 2025, European retail assets recorded modest growth in both rents and service charges, increasing by 2.0% and 1.5% YoY, respectively. This reflects a stabilising trend across the market, with growth largely driven by indexation rather than new leasing activity. Retail Parks stood out as the only asset type where rental growth (2.5% YoY) was supported by both indexation and new lease agreements, indicating continued demand and leasing momentum. In contrast, shopping centre formats—including Experience, Inner-City, and Malls—saw rental increases driven primarily by indexation, with limited contribution from new deals.

A similar pattern was observed in service charges, where Retail Parks again led with a 3.6% YoY increase. Other asset types recorded more moderate changes, reflecting a broader stabilisation of costs across most retail assets, including energy, maintenance, and operational expenses.

Vacancy rate

The average vacancy rate declined below the 2024 level, reaching 5.6%. This reduction reflects a stabilisation in tenant activity and a gradual absorption of vacant space across the portfolio. A particularly notable improvement was recorded in Inner-City shopping centres, where several assets in the portfolio had previously been impacted by ongoing refurbishments. Vacancy remains below pre-pandemic levels.

2.0%

Increase in rents YoY, 2025

5.6%

Average vacancy rate, 2025

Figure 5: Rents and service charges development in selected asset types (YoY)

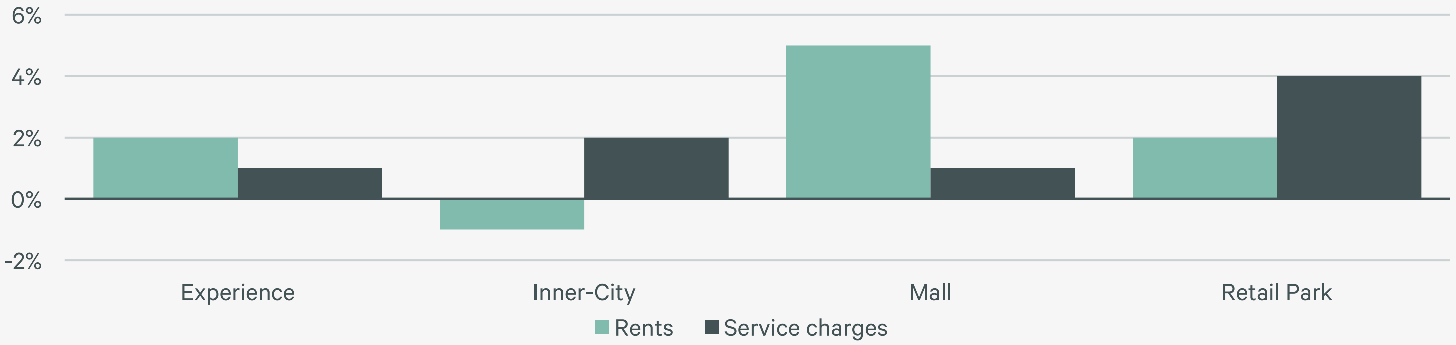
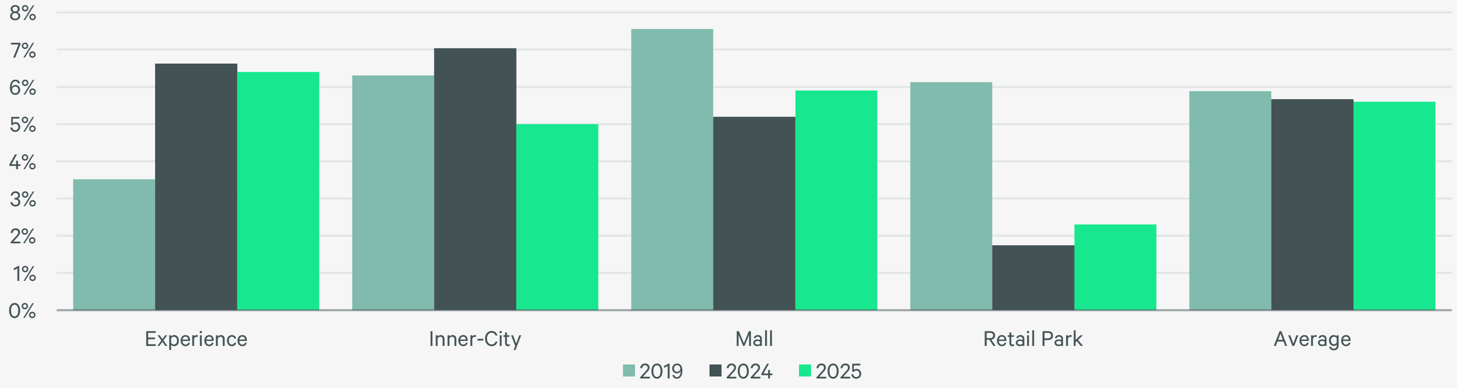


Figure 6: Vacancy rate development in selected asset types



Source: CBRE European Shopping Centres Performance Index

European portfolio

276 SHOPPING CENTRES OVER 10,000 SQ M
7.9M SQ M GLA MANAGED IN EUROPE

AVERAGE GLA
28,595 SQ M

PRESENCE IN
21 COUNTRIES

276
Shopping centres (>10.000 sq m)

21,700
Tenants

3,000
Leasing deals signed

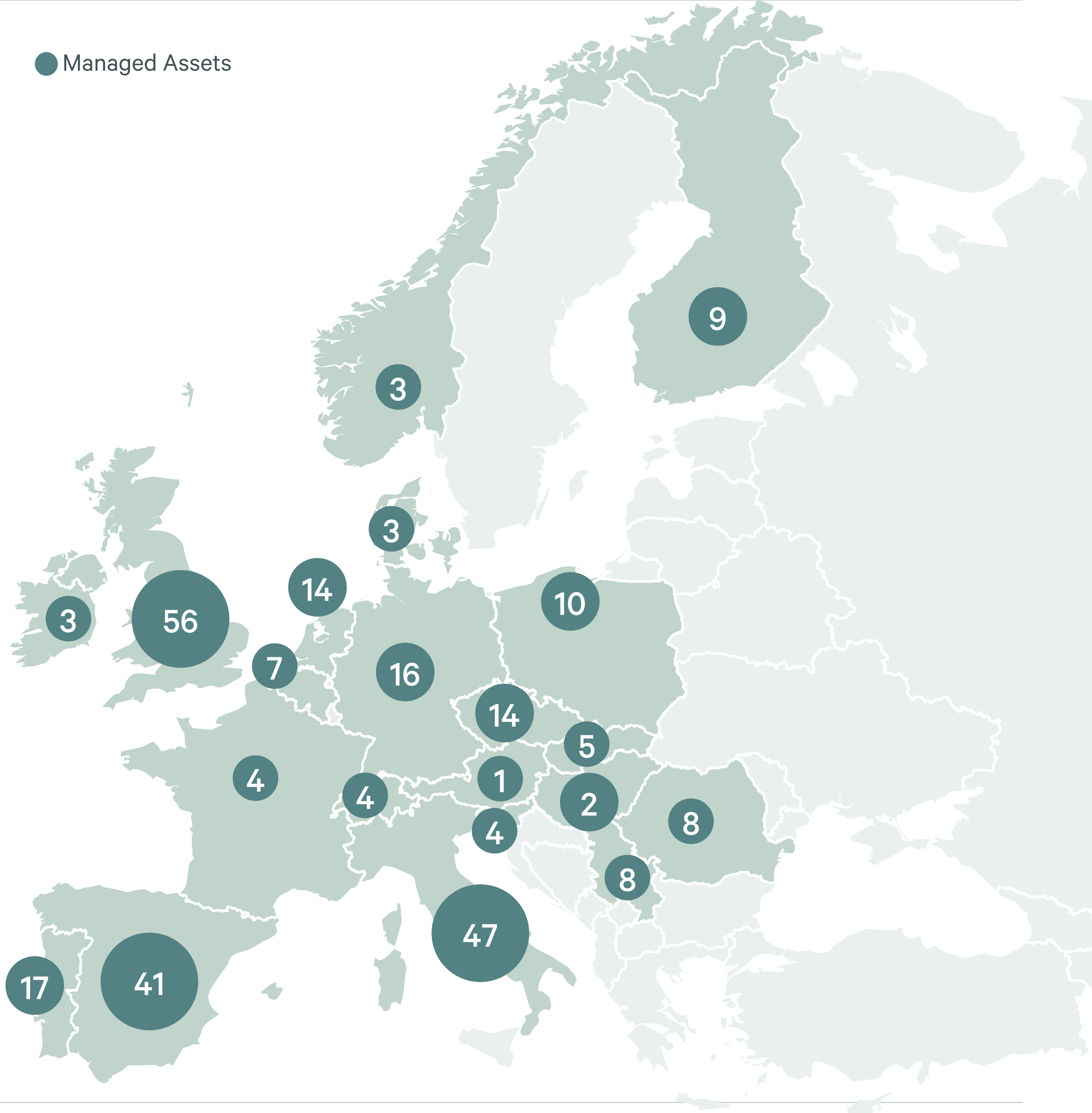
900
Overall Retail Specialists

8M SQ M
GLA under management

220
Leasing Retail Experts

800
Deals signed in High Streets

€27bn
Total retail market transactions between Q3 2023 and Q3 2024



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