

Intelligent Investment

European Retail Market Summary H1 2026

REPORT

CBRE RESEARCH
OCTOBER 2026



Executive Summary

European retail assets maintained stable performance in H1 2026, supported by healthy occupancy levels and solid leasing activity. Inner-city shopping centres emerged as the strongest-performing asset type, while Experience centres continued to deliver positive but more moderate growth.

This trend reflects consumers' increasing focus on convenience, accessibility and everyday retail needs.

These findings are drawn from CBRE's performance dataset across our retail assets managed throughout Continental Europe. This year's analysis benefits from expanded coverage of Retail Parks, providing broader market coverage and deeper insights into this increasingly important asset class.

Key findings:

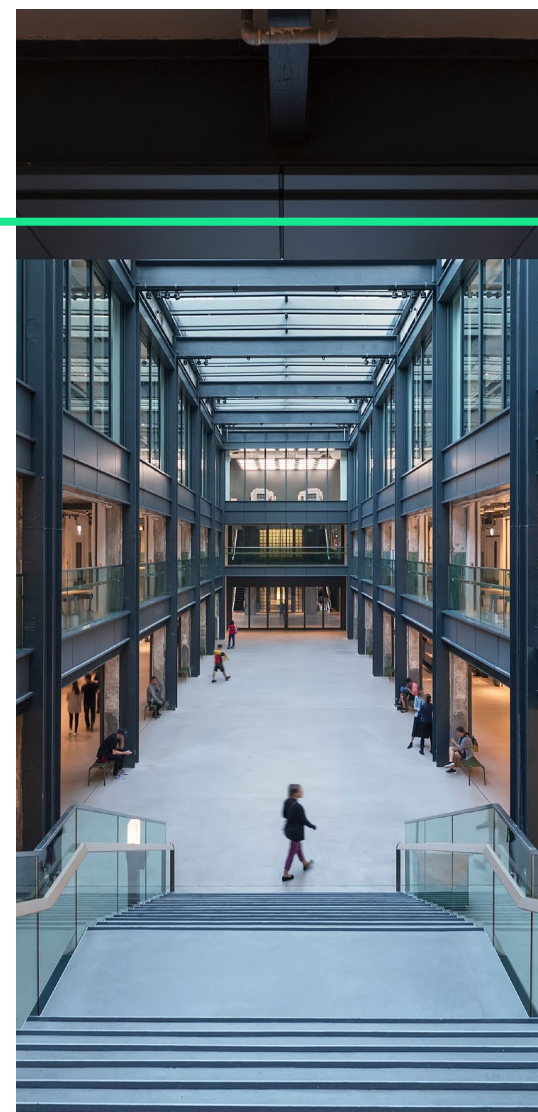
- 01** Visitor numbers grew by 3% YoY, surpassing pre-pandemic levels by almost 2%
- 02** Annual sales increased, on average, by 4% YoY
- 03** The vacancy rate saw a moderate compression, to 6%

162

Analysed retail assets in 15 European countries

4.3

Million sq m of total retail space



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 the first half of 2026, European retail assets recorded 3.0% YoY growth in visitor numbers. Performance remained positive throughout the period, with footfall increasing by 3.2% YoY in Q1 and 2.8% YoY in Q2, driven by sustained consumer demand.

Despite remaining in positive territory, growth varied by month. Visitor numbers increased strongly in January (+4.3%), before moderating in February (+1.7%). Growth accelerated again in March (+3.3%)*, moderated in April (+0.8%) and strengthened again in May (+4.3%) remained solid in June (+3.1%).

Performance was positive across all asset types during the first half of 2026, although the pace of growth also varied considerably. Inner-City shopping centres led the Index (+8.3% YoY), significantly above the European average (+3.0% YoY), supported by the opening of key stores during 2025, which helped drive higher visitor numbers. Malls (+3.8% YoY) and Retail Parks (+3.7% YoY) also recorded growth. Experience shopping centres posted a more moderate increase (+1.7% YoY). The results suggest that convenience-led and urban destinations are currently driving the strongest footfall growth across European retail assets.

Retail Parks remained the strongest-performing asset type compared with 2019, while Experience shopping centres maintained footfall broadly in line with pre-pandemic levels. Meanwhile, Inner-City shopping centres have emerged as another key driver of growth. These results highlight consumers' increasing preference for convenience and accessibility, with Retail Parks and Inner-City destinations leading the market's evolution.

1.6%[†]

More visitors 2026 compared with 2019

[†]Applies to the total index

3.0%[†]

Increase in visitor numbers YoY in 2026 compared with 2025

Figure 1: Visitors and sales development vs 2019

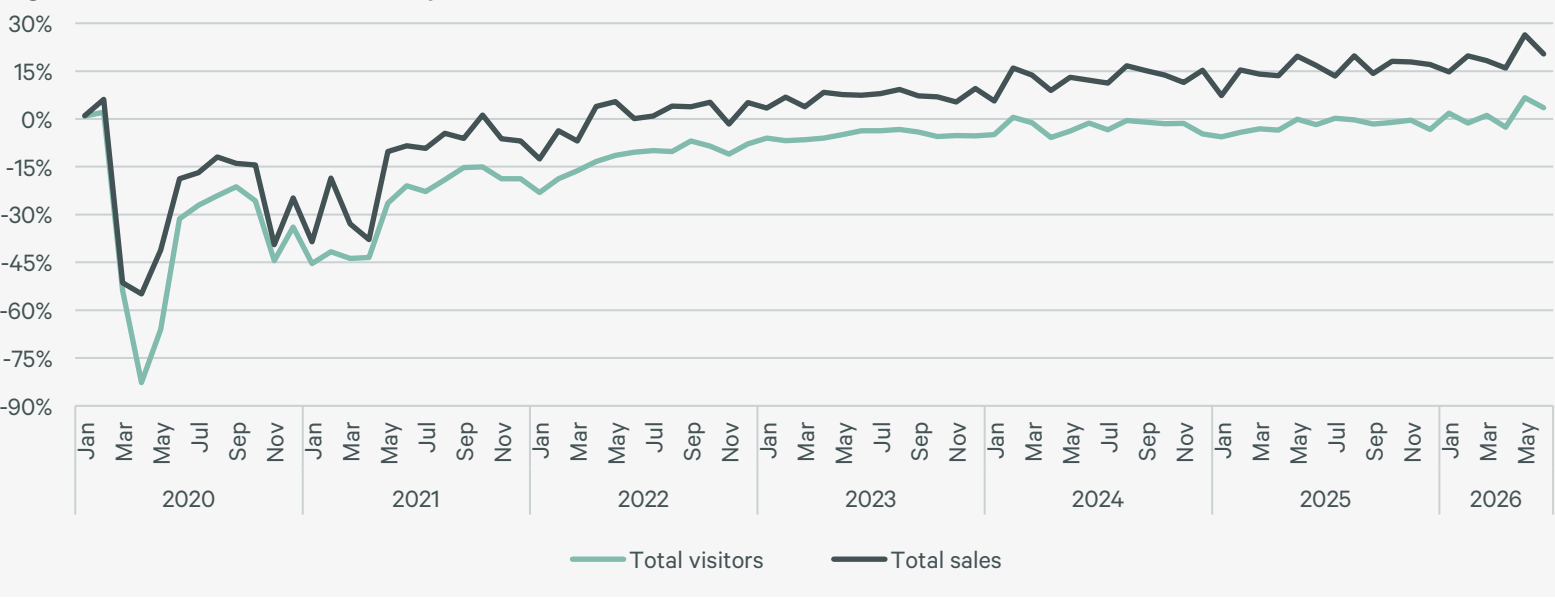
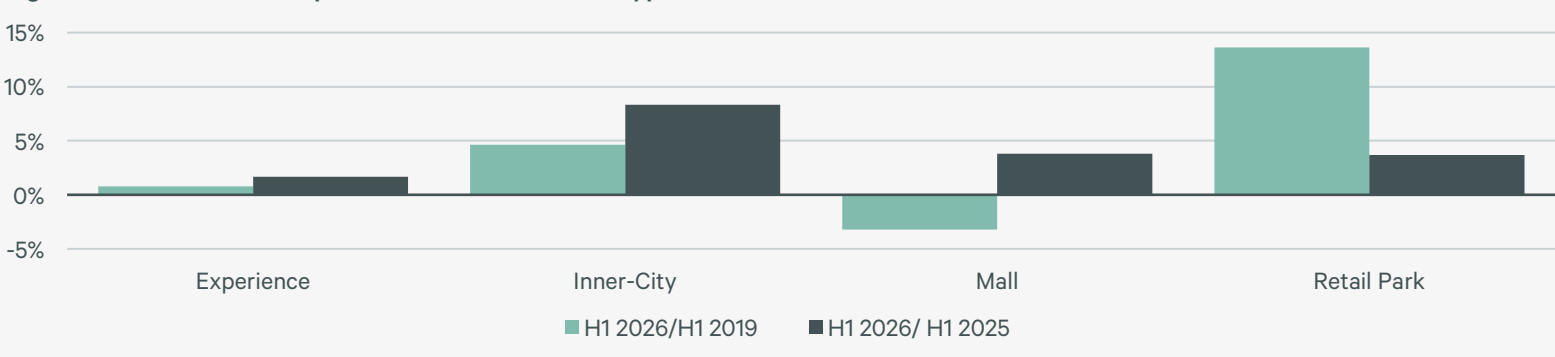


Figure 2: Visitors' development in selected asset types (YoY)



Source: CBRE European Shopping Centres Performance Index

*The earlier timing of Easter in 2026 boosted March growth and moderated April growth.

Sales

In 2026, European retail assets increased sales by +4.2% YoY. After a strong start in January (+6.5%), growth remained positive throughout the period. The stronger performance in March (+4.5%)* before moderating in April (+1.5%). Momentum strengthened again in May (+5.2%) and remained solid in June (+3.9%).

Among asset types, Inner-City shopping centres (+7.9%) led growth, followed by Experience centres (+4.3%). While visitor growth in Experience centres was relatively modest, stronger sales performance suggests that spend per visitor remained robust. Retail Parks (+3.4%) and Malls (+2.6%) recorded more moderate growth.

From a sector perspective, Leisure (+15.3%) was the standout performer, largely driven by the strong performance of cinemas, supported by an attractive international film release schedule. Despite the challenges faced by the category in recent years, current trends suggest it could maintain positive momentum through the remainder of the year. Household & Furniture (+7.1%) and Electronics (+7.0%) continued to build on the positive momentum already seen in late 2025, remaining among the strongest-performing categories. Fashion (+4.6%) and Food (+4.1%) also delivered strong results, while Sports (+1.5%) remained in positive territory, although it continued to show the more subdued performance seen since the end of last year. In contrast, Services (-4.9%) was the only sector to record a decline, mainly driven by weaker performance by travel agents.

19.2%

Higher sales
in H1 2026 vs H1 2019

4.2%

Increase in sales YoY
in H1 2026 vs H1 2025

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

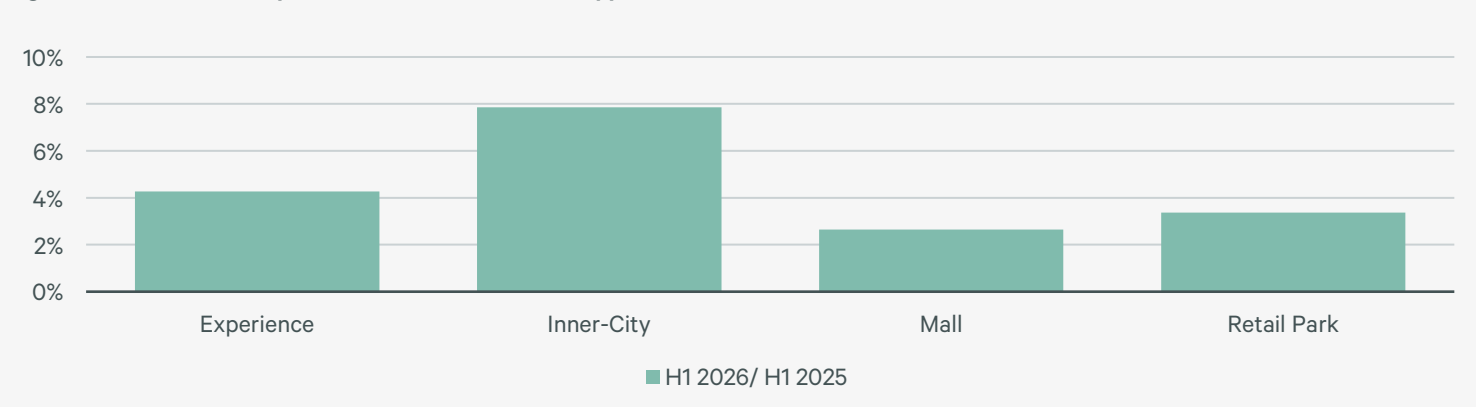
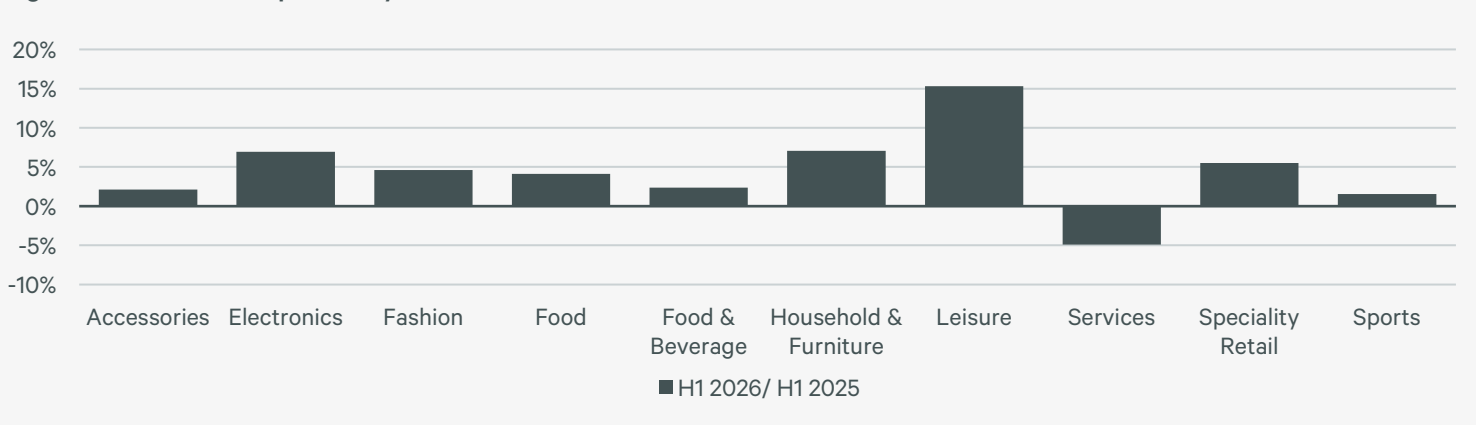


Figure 4: Sales development by sector (YoY)



Source: CBRE European Shopping Centres Performance Index

*The earlier timing of Easter in 2026 boosted March growth and moderated April growth.

Rents and service charges

In 2026, European retail assets recorded modest growth in both rents and service charges, increasing by 2.7% and 1.9% YoY, respectively.

Rental growth was primarily seen in Experience shopping centres (+4.2% YoY), while Malls had a more moderate increase (+2.2% YoY). In contrast, both Inner-City shopping centres and Retail Parks remained broadly stable, with limited rental growth recorded during the period. Overall, the figures point to a generally stable leasing environment across the retail sector. Service charges followed a similar pattern, with Experience shopping centres (+4.6% YoY) and Retail Parks (+3.9% YoY) recording the strongest increases among the main retail formats. More moderate growth was observed in Malls (+2.2% YoY) and Inner-City (+1.2% YoY).

Overall, operating costs remained broadly under control across most retail asset types, reinforcing the sector's stable performance during the first half of the year.

Vacancy rate

The average vacancy rate stood at 5.9% in H1 2026, in line with pre-COVID levels. Inner-City assets recorded the strongest improvement, with vacancy falling to 4.5%, supported by solid growth in both footfall and sales. A modest increase in Retail Park vacancy was driven by temporary tenant rotation, with the available space expected to be absorbed over the coming months. Overall, vacancy levels remain low across the portfolio, reflecting resilient occupier demand and stable leasing fundamentals.

2.7%

Increase in rents YoY,
H1 2026

5.9%

Average vacancy rate,
End Q2 2026

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

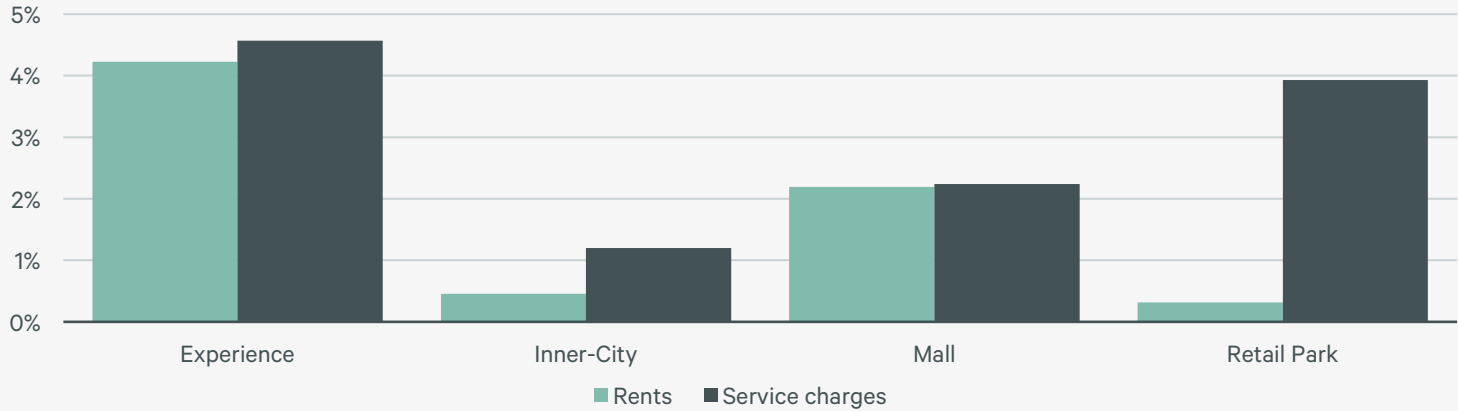
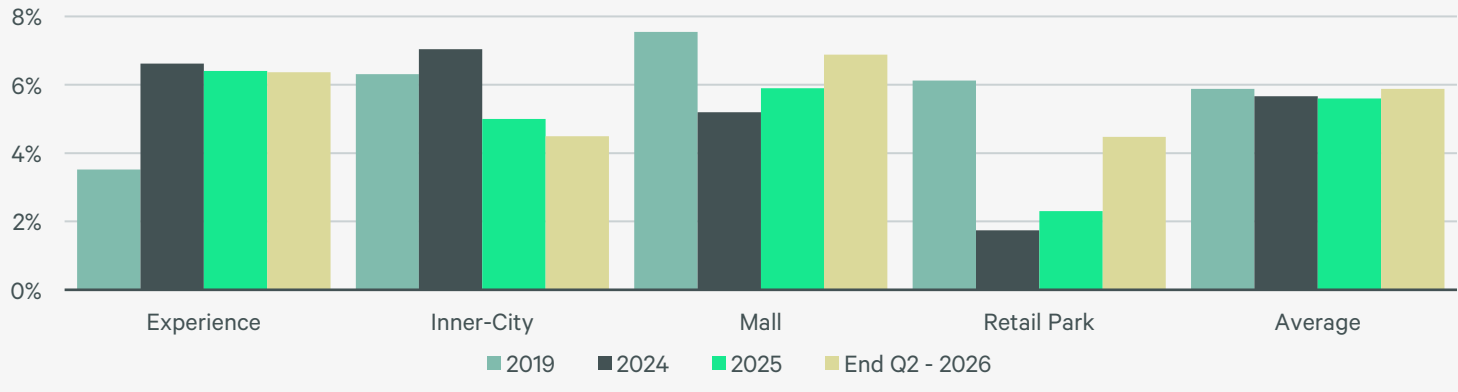


Figure 6: Vacancy rate development in selected asset types



Source: CBRE European Shopping Centres Performance Index

Retail parks summary

While both sales and footfall were still growing at a slower pace than in Shopping Centres in 2023, a clear shift emerged in 2024, with footfall growth overtaking that of Shopping Centres and remaining ahead ever since. While sales have not yet fully mirrored this trend, Retail Parks continue to show solid growth, supported by the characteristics of their tenant mix and the purchasing patterns associated with many of their core retail categories.

Following particularly robust footfall growth from 2024 onwards, visitor numbers continued to increase in H1 2026 (+3.7% YoY), with sales also remaining firmly positive (+3.4% YoY). While the increase in footfall is translating into higher sales, the conversion is slightly more moderate, reflecting a tenant mix heavily weighted towards Household & Furniture (32.1% of GLA) and Food operators (16.6%), including large-format supermarkets, where shopping trips tend to be more planned and purchase cycles longer than in other retail segments.

Supported by low vacancy (4.5%), growing service charges (+3.9%), and stable rents (+0.3%), these results highlight the continued strength of consumer demand and reinforce Retail Parks' position as one of the most attractive retail asset classes in Europe.

3.7%

Increase in visitor YoY, H1 2026

3.4%

Increase in sales YoY, H1 2026

0.3%

Increase in rents YoY, H1 2026

3.9%

Increase in service charges YoY, H1 2026

Figure 7: Visitors' and sales development in retail parks vs Shopping Centres (YoY) 2023 - 2026

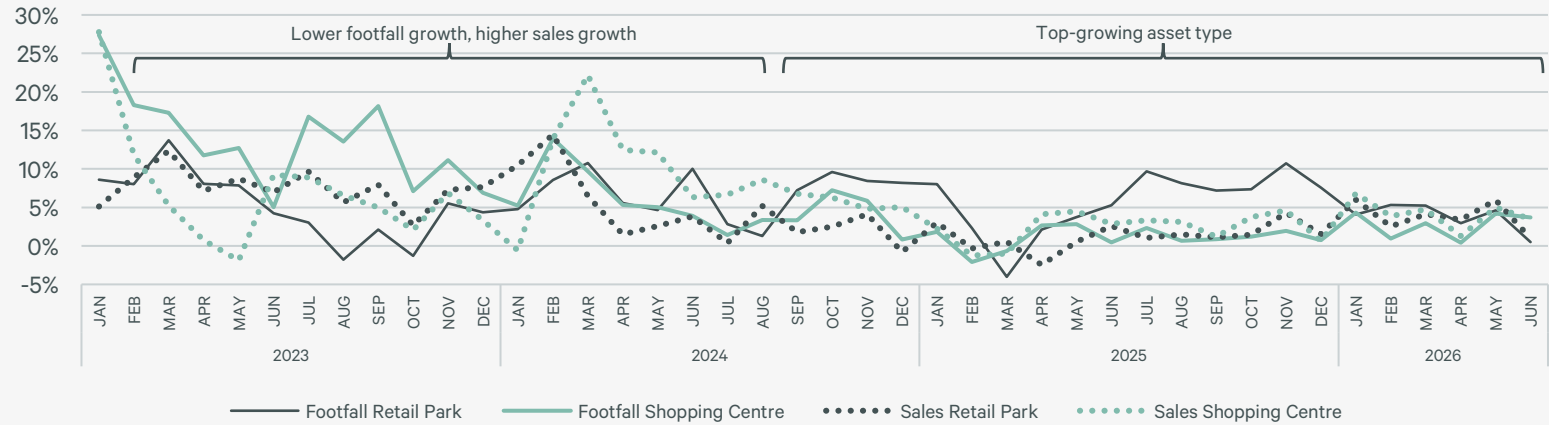


Figure 8: Retail Parks Tenant mix (% GLA) 2026

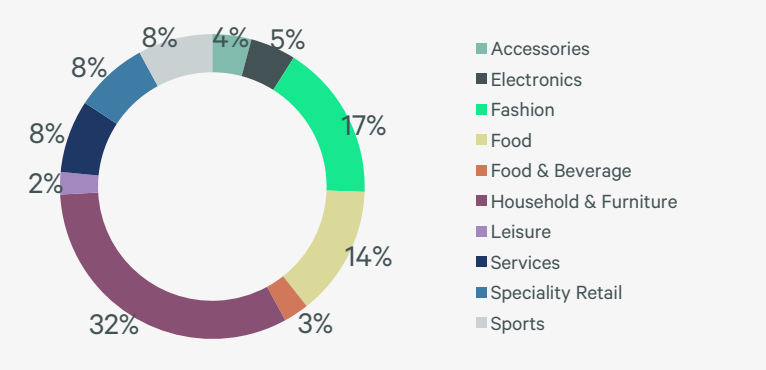
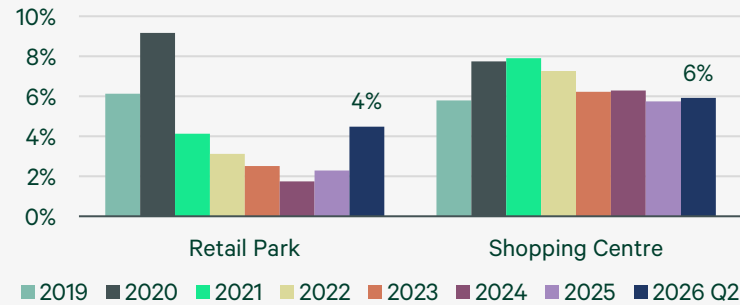


Figure 9: Vacancy rate development in Retail Parks vs Shopping Centre 2019 - 2026



Source: CBRE European Shopping Centres Performance Index

European portfolio

256

SHOPPING CENTRES OVER 10,000 SQM

29,235 sqm

AVERAGE GLA

7.5 m sqm

GLA MANAGED IN EUROPE

21

PRESENCE IN 21 COUNTRIES

21,700
Tenants

3,000
Leasing deals signed

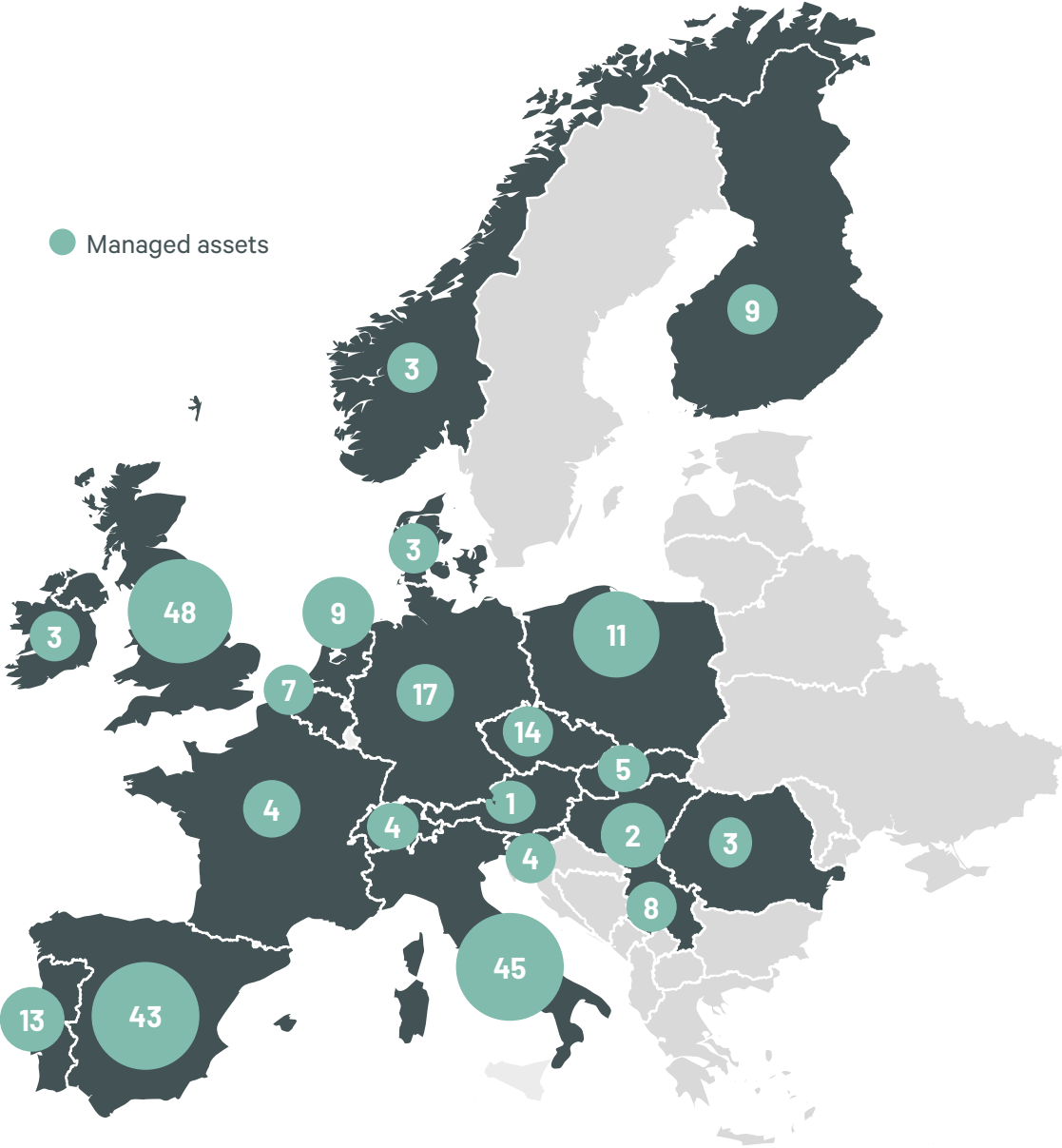
900
Overall retail specialists

8 M sqm
GLA under management

220
Leasing retail experts

800
Deals signed in high streets

€10.4bn 2025
Total retail market transacted



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