Industrial Market Czech Republic

Q1 2026

A regular quarterly update of logistics and industrial market in the Czech Republic

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Total stock	13.6 m sq m
New supply Q1 2026	307 000 sq m
Under construction	1.4 m sq m 28% shell & core
Vacancy rate	4.8%

In Q1 2026, the total lettable modern warehouse and industrial area exceeded 13.6 million sq m.

A total of 307,000 sq m was newly completed, with the largest share in the Karlovy Vary Region (78%), driven by the completion of the largest industrial hall in the country (214,000 sq m) at Panattoni Business Park Cheb.

Almost 1.4 million sq m were under construction, including shell & core projects. The largest construction was taking place in the Greater Prague area (17%).

The vacancy rate slightly decreased to 4.8% in Q1 2026.

In Q1 2026, the range of prime rents in the Czech Republic remained unchanged at €4.50–7.50 sq m/month.

In Q1 2026, gross take-up reached 420,900. Renegotiations accounted for 56% of total take-up.

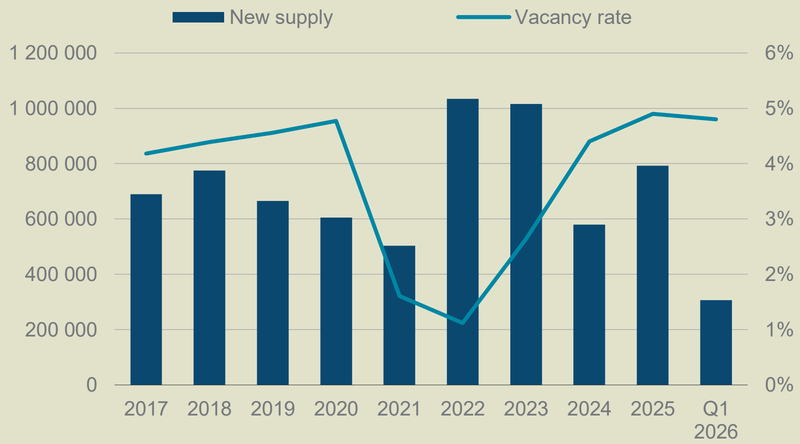
„The market remains stable in terms of demand despite the year-on-year decline. Vacancy rates continue to stay below 5%, signalling a balanced relationship between supply and demand as well as sufficient market liquidity. At the same time, there is still moderate downward pressure on rents, particularly in regions with high supply.

We are currently benefiting from demand generated by the manufacturing sector, as well as logistics and the automotive industry focused on electromobility. In connection with current developments in Europe, we continue to see increasing demands for supply chain optimisation. No region is considered unattractive anymore, and previously overlooked areas are now attracting investors' attention, partly due to the availability of labour."

MARKÉTA VRBASOVÁ
PARTNER, HEAD OF INDUSTRIAL & LOGISTICS

New Supply and Vacancy Rate

sq m, %



Source: Knight Frank Research

13,620,000 sq m

In Q1 2026, the total lettable modern warehouse and industrial area exceeded 13.6 million sq m.

INDUSTRIAL MARKET OVERVIEW

In Q1 2026, the total leasable area of modern warehouse and industrial area exceeded 13.6 million sq m. Greater Prague remained the largest logistics market, accounting for 27% of the total supply. This was followed by the Plzeň Region with a 14% share, the South Moravian Region with 11%, and the Moravian-Silesian Region with 10%. The Central Bohemian Region and the Ústí nad Labem Region each accounted for 8%.

In Q1 2026, a total of 307,000 sq m of new space was completed across nine industrial parks. Compared to the previous quarter, this represented an increase of 34%, while year-on-year figures showed a slight decrease of 2%. The largest volume of new space was completed in the Karlovy Vary Region (78%), followed by the Moravian-Silesian Region and the Plzeň Region (both at 5%).

The largest project completed in Q1 2026 was the premises for H&M at Panattoni Business Park Cheb, with a total area of 214,000 sq m. This property became the largest industrial hall in the Czech Republic. It was followed by premises for Wacker at Panattoni Business Park Karlovy Vary covering 25,000 sq m, and a 14,800 sq m hall at CTPark Tošanovice, which was leased to an undisclosed manufacturing company.

At the end of Q1 2026, nearly 1.40 million sq m of warehouse and industrial space was under construction, including shell & core projects, which accounted for 28% of the total. Construction activity was recorded across all regions except the Liberec Region. The largest development activity was taking place in the Greater Prague area (17%), followed by the Ústí nad Labem Region (16%) and the Moravian-Silesian Region (14%). In contrast, the lowest construction intensity was recorded in the South Bohemian Region and the Hradec Králové Region, where the share did not exceed 1%. The highest share of shell & core space was located in the Ústí nad Labem Region (17%), followed by the Olomouc Region (16%) and the Greater Prague area (15%).

The vacancy rate decreased slightly to 4.8% in Q1 2026, compared to 4.9% in the previous quarter. Quarter-on-quarter, vacancy levels declined slightly in five regions, with the most significant decrease recorded in the Ústí nad Labem Region, down by 2.1 percentage points. A slight increase was recorded in three regions, most notably in the Central Bohemian Region, where the vacancy rate rose by 1.0 percentage point. In the remaining regions, vacancy rate stayed unchanged.

If shell & core buildings were included, the vacancy rate would reach 7.4%.

Knight Frank

RENTS

In Q1 2026, the range of current rents in the Czech Republic remained unchanged at €4.50–7.50 sq m/month.

Average current rent remained stable year-on-year in Q1 2026. A year-on-year decrease was recorded in five regions, with the most significant declines in the Karlovy Vary Region (-4.9%), the Plzeň Region (-4.3%), and the South Moravian Region and Moravian-Silesian Region (both -3.3%). Conversely, average current rents increased slightly year-on-year in four regions, most notably in the Vysočina Region (+6.3%) and the Ústí nad Labem Region (+4.6%).

Current Rent Range

€4.50 – 7.50 sq m/month

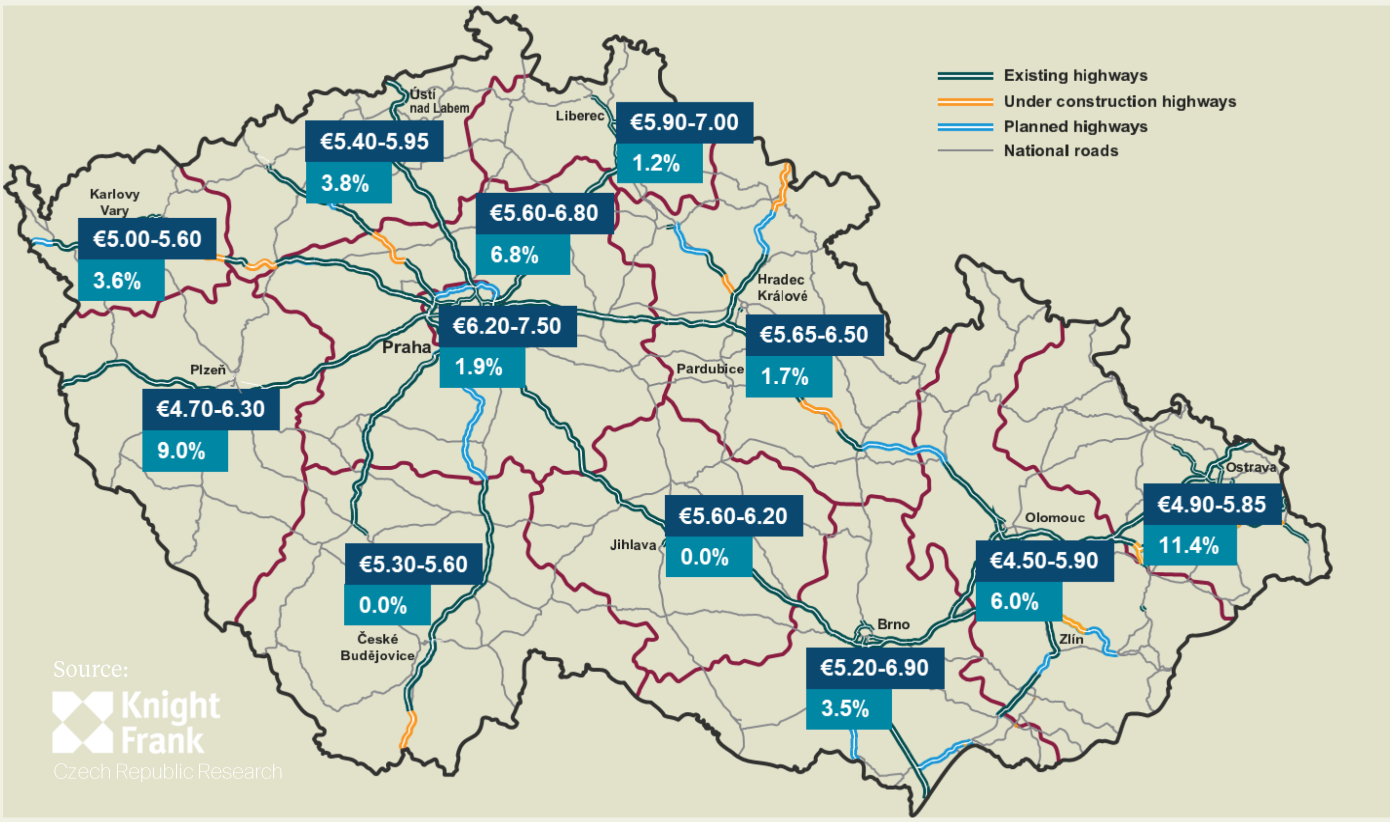
INVESTMENT

In Q1 2026, the prime industrial yield remained unchanged again, staying at 5.00%.

Prime Industrial Yield

5.00%

VACANCY RATE AND CURRENT RENT*



*Rent offered on the market in class A premises for an area of 4,000 - 5,000 sq m in Q1 2026 prior to incentives application

TAKE-UP

In Q1 2026, demand remained stable, with gross take-up reaching 420,900 sq m. Compared to the previous quarter, it decreased by 34%, while year-on-year it fell by 16%.

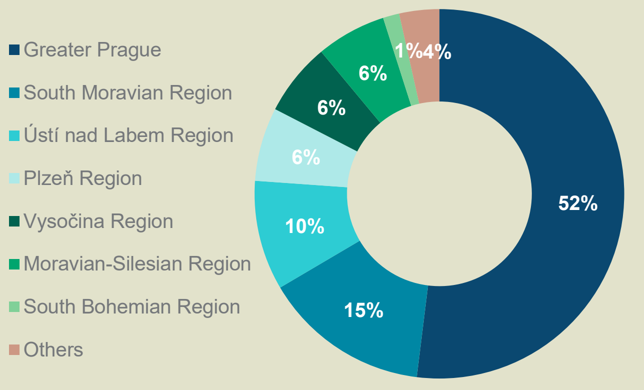
Renegotiations accounted for 56%, driven mainly by the largest renegotiation concluded with an undisclosed logistics company at Prologis Park Prague – Jirny, covering 147,600 sq m. This was followed by a renegotiation with another undisclosed logistics company at P3 Lovosice industrial park, covering 14,600 sq m.

In Q1 2026, gross take-up was allocated to ten regions. More than half (52%) was attributed to the Greater Prague area, mainly due to the largest renegotiation mentioned above. This was followed by the South Moravian Region with a 15%, and the Ústí nad Labem Region with 10% share.

Net take-up decreased by 15% year-on-year, reaching 187,400 sq m. Compared to the previous quarter, it dropped by as much as 49%. The highest share of net take-up was recorded in the South Moravian Region with 24%, where a large number of new lease agreements were concluded, as well as in the Greater Prague area, which accounted for 22%. Three regions followed with 14% share each: the Plzeň Region, the Ústí nad Labem Region, and the Vysočina Region.

Gross Take-up by Regions

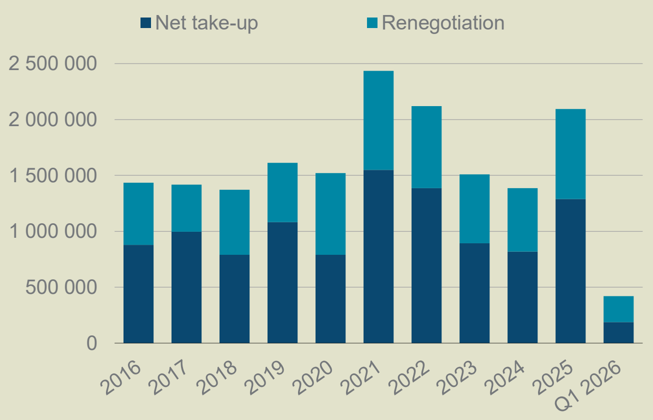
Q1 2026, %



Source: Knight Frank Research

Annual Take-up

sq m



Source: Knight Frank Research

TAKE-UP		CHANGE	
Q1 2026		Y/Y	Q/Q
Gross	420,900 sq m	-16%	-34%
Net	187,400 sq m	-15%	-49%

SIGNIFICANT NEW LEASES IN Q1 2026

PROPERTY	TENANT	SIZE (sq m)	DEAL TYPE
P3 Bílina	Confidential	25,900	Pre-lease
7R Park Lavičky D1 Highway	Confidential	25,500	Pre-lease
Prologis Park Prague-Rudná	DSV	17,700	New lease

MARKET NEWS

- ✓ Prologis expanded its presence in the Greater Prague area through the acquisition of a modern warehouse building with an area of 17,700 sq m, located in Rudná, approximately 20 km from the center of Prague. The premises are operated by DSV, which will continue to use the facility under a sale-and-leaseback agreement. The asset features a range of sustainable solutions, including an extensive rooftop photovoltaic installation, charging stations for both passenger and heavy-duty electric vehicles, an LNG station, full LED lighting, and additional environmental measures.

- ✓ The international logistics provider Dachser will lease new industrial premises covering 9,000 sq m in the Garbe Park Brno development, the construction of which has just begun. Within the same development, three additional buildings with a total area of 51,000 sq m are planned, they already have building permits in place. The buildings are designed with a strong focus on sustainability, high technical standards, and low operating costs.

- ✓ The hall in Panattoni Business Park Cheb, newly completed by Panattoni and now the largest industrial hall in the Czech Republic, also features the largest large-scale mural in the country. The artwork, covering an area of 6,200 sq m, decorates the building's facade and depicts a relief of the historic town square in Cheb.

- ✓ CTP, in cooperation with the Padel Powers, will open three indoor padel centres in 2026. The new sports facilities located at CTPark Brno, CTPark Ostrava II, and CTPark Plzeň Kasárny will have a total area of approximately 10,000 sq m and will be open not only to employees within the parks but also to the general public. CTP has long been developing the concept of full-service parks , meaning locations where companies, in addition to high-quality premises, also gain facilities that simplify daily operations and enhance the attractiveness of the site for their employees.

https://panattonieurope.com/cz-cz/novinky/nejvetsi-nastenna-malba-v-cesku-byla-dokoncena-v-chebskem-prumyslovem-parku

GREATER PRAGUE

TOTAL STOCK	NEW SUPPLY Q1 2026	UNDER CONSTRUCTION	VACANCY RATE
3.71 m sq m	10,900 sq m	235,600 sq m	1.9%

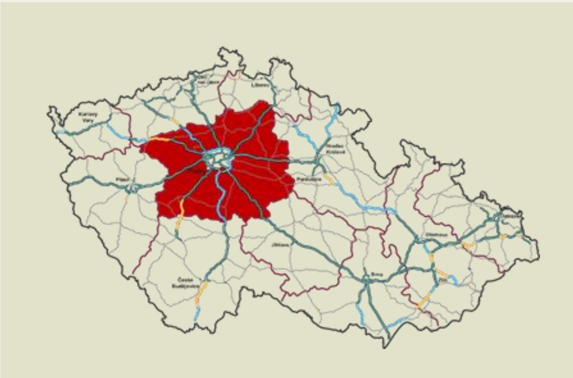
- Prague is a central point of all highway routes and is also an important international railway junction. Air transport including freight is provided mainly by the Václav Havel Airport Prague.
- The Greater Prague area is the largest warehouse and industrial market in the Czech Republic, it accounts for 27% of the country's total stock.
- The unemployment rate was 3.8% in March 2026.
- In Q1 2026, gross take-up amounted to 218,700 sq m, out of which net take-up represented 19%.

Current Rent
€6.20 – 7.50 sq m/month

CENTRAL BOHEMIAN REGION

TOTAL STOCK	NEW SUPPLY Q1 2026	UNDER CONSTRUCTION	VACANCY RATE
1.13 m sq m	0 sq m	118,400 sq m	6.8%

- Aside from Prague, the Central Bohemian Region has the most dense, but also the most congested transport network in the country. The region is crossed by the main rail and road transit routes leading into the capital. Water transport is also present in the region.
- The unemployment rate was 4.2% in March 2026.
- In Q1 2026, gross take-up amounted to 5,100 sq m in a single new lease.

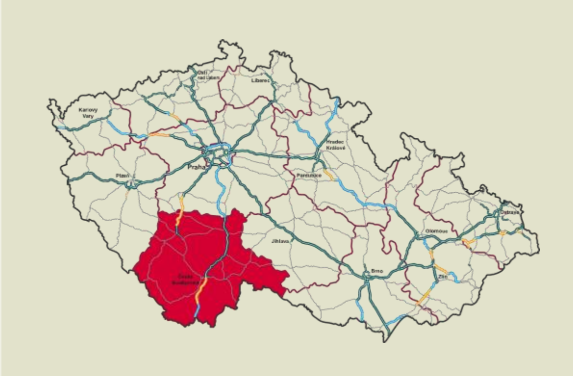


Current Rent
€5.60 –6.80 sq m/month

SOUTH BOHEMIAN REGION

TOTAL STOCK	NEW SUPPLY Q1 2026	UNDER CONSTRUCTION	VACANCY RATE
174,200 sq m	0 sq m	8,800 sq m	0.0%

- The region is experiencing a continuously increasing traffic intensity; however, it is currently not connected to the national motorway network. The planned and partly under-construction D3 motorway will link Prague with the South Bohemian Region and connect to the motorway network in neighbouring Austria. The section from the South Bohemian Region to the Austrian border is expected to be completed by 2027, with completion in the Central Bohemian Region planned for 2032.
- The unemployment rate was 4.5% in March 2026.
- In Q1 2026, gross take-up amounted to 6,000 sq m representing a renegotiation of a single lease.



Current Rent
€5.30 –5.60 sq m/month

SOUTH MORAVIAN REGION

TOTAL STOCK	NEW SUPPLY Q1 2026	UNDER CONSTRUCTION	VACANCY RATE
1.55 m sq m	5,200 sq m	170,500 sq m	3.5%

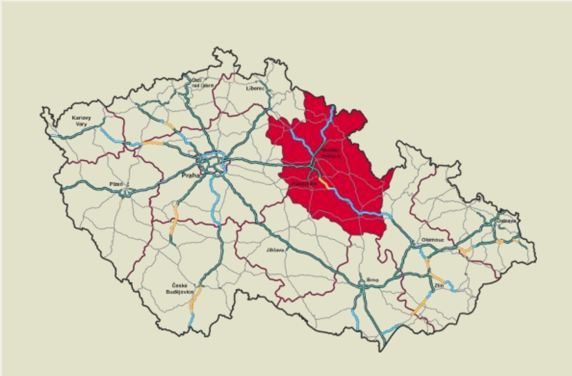
- The South Moravian Region serves an important transit function. The regional capital, Brno, is a significant transport hub for road, motorway, rail, and air traffic. It is located at the intersection of motorways leading to Prague (D1), Bratislava (D2), Olomouc (D46), and Vienna (D52). However, the D52 motorway is still incomplete, with its full opening expected in 2032.
- The South Moravian Region is the third largest logistics market in the Czech Republic, after the Greater Prague area and the Plzeň Region.
- The unemployment rate was 5.6% in March 2026.
- In Q1 2026, gross take-up amounted to 61,300 sq m, out of which net take-up represented 74%.

Current Rent
€5.20 –6.90 sq m/month

HRADEC KRÁLOVÉ AND PARDUBICE REGIONS

TOTAL STOCK	NEW SUPPLY Q1 2026	UNDER CONSTRUCTION	VACANCY RATE
468,300 sq m	0 sq m	38,400 sq m	1.7%

- The Hradec Králové Region is connected to Prague by the unfinished D11 motorway, which upon completion in 2028 will link the region with Poland. The Pardubice and Hradec Králové Regions are also crossed by two major European routes: E67 (Prague–Warsaw) and E442 (Liberec–Olomouc). Additionally, the D35 motorway, currently under construction, runs through the region and is expected to be completed by 2030.
- In March 2026, the unemployment rate was 4.1% in Pardubice Region and 4.3% in Hradec Králové Region.
- In Q1 2026, gross take-up amounted to 4,400 sq m out of which net take-up represented 92%.



Current Rent
€5.65 – 6.50 **sq m/month**

KARLOVY VARY REGION

TOTAL STOCK	NEW SUPPLY Q1 2026	UNDER CONSTRUCTION	VACANCY RATE
769,400 sq m	239,000 sq m	85,500 sq m	3.6%

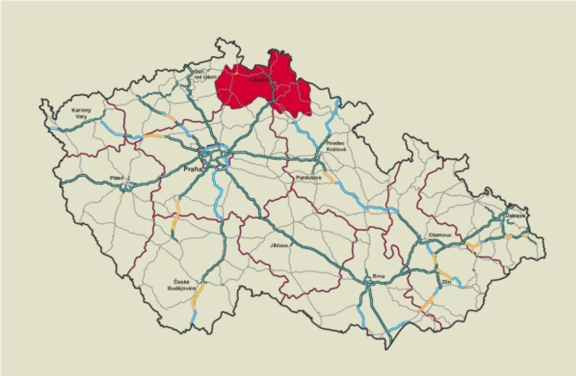
- The main road artery of the Karlovy Vary Region is the partially constructed D6 motorway (Cheb – Sokolov – Karlovy Vary), which is expected to be completed by 2029. Currently, the motorway is connected to Germany via road D6.
- The majority of existing warehouse spaces are located around Cheb, close to the D6 motorway.
- The unemployment rate was 6.0% in March 2026.
- No new take-up was realized in Q1 2025.

Current Rent
€5.00 –5.60 **sq m/month**

LIBEREC REGION

TOTAL STOCK	NEW SUPPLY Q1 2026	UNDER CONSTRUCTION	VACANCY RATE
446,700 sq m	11,700 sq m	0 sq m	1.2%

- The region is connected to Prague by the D10 motorway, which runs from Prague only as far as Turnov, where it ends and connects to the I/35 expressway, continuing to the regional city of Liberec. The region is also crossed by the European route E65 in the direction Prague – Harrachov – Poland, as well as other first-class roads that link the region to Germany in the north.
- The unemployment rate was 5.8% in March 2026.
- No new take-up was realized in Q1 2025.

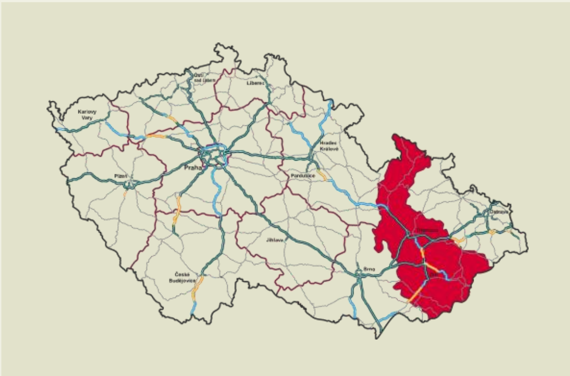


Current Rent
€5.90 – 7.00 sq m/month

OLOMOUC AND ZLÍN REGIONS

TOTAL STOCK	NEW SUPPLY Q1 2026	UNDER CONSTRUCTION	VACANCY RATE
722,600 sq m	8,700 sq m	112,600 sq m	6.0%

- The region is crossed by the completed D1 motorway, which is fully connected to the regional city of Olomouc by the completed D46 motorway and the unfinished D35 motorway (known as the northern backbone route that will link Bohemia with Moravia). The backbone motorway of the Zlín Region will be the D55 motorway, currently under construction, which upon completion in 2032 will connect Olomouc with the South Moravian Region through the territory of the Zlín Region. The D49 motorway is also under construction, which will link eastern Moravia with western Slovakia.
- In March 2026, the unemployment rate was 5.4% in Olomouc Region and 4.2% in Zlín Region.
- In Q1 2026, gross take-up amounted to 5,200 sq m in a single new lease.



Current Rent
€4.50 –5.90 sq m/month

MORAVIAN-SILESIAN REGION

TOTAL STOCK	NEW SUPPLY Q1 2026	UNDER CONSTRUCTION	VACANCY RATE
1.40 m sq m	14,800 sq m	209,200 sq m	11.4%

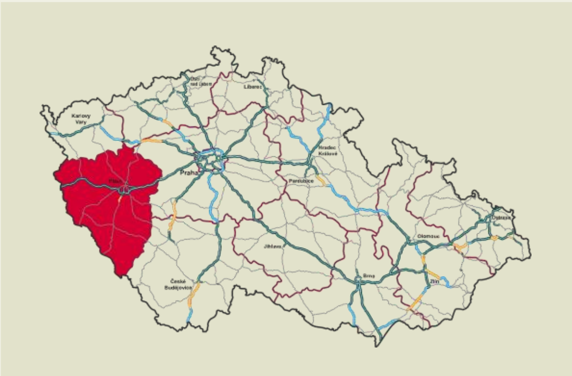
- The backbone of the road network is the D1 motorway, which connects the region with the entire country and seamlessly links to the Polish A1 motorway. The region is also crossed by the unfinished D48 motorway, which upon completion in 2028 will form part of the third high-capacity connection between the Czech Republic and Slovakia.
- The unemployment rate was 7.0% in March 2026.
- In Q1 2026, gross take-up amounted to 25,700 sq m, out of which net take-up represented 36%.

Current Rent
€4.90 – 5.85 sq m/month

PLZEŇ REGION

TOTAL STOCK	NEW SUPPLY Q1 2026	UNDER CONSTRUCTION	VACANCY RATE
1.89 m sq m	16,600 sq m	170,600 sq m	9.0%

- The region is crossed by the important D5 motorway from Prague to Germany.
- The Plzeň Region is the second largest logistics market in the Czech Republic after Prague, with most warehouse spaces located around the regional city of Plzeň.
- The unemployment rate was 4.1% in March 2026.
- In Q1 2026, gross take-up amounted to 27,200 sq m, out of which net take-up represented 94%.



Current Rent
€4.70 –6.30 sq m/month

ÚSTÍ NAD LABEM REGION

TOTAL STOCK	NEW SUPPLY Q1 2026	UNDER CONSTRUCTION	VACANCY RATE
1.03 m sq m	0 sq m	230,400 sq m	3.8%

- The region has an important transport position due to its connection to the European Union. The D8 motorway runs through the region, leading from Prague to the state border with Germany, where it seamlessly connects to the German A17 motorway. Another strategic route is the unfinished D7 motorway, which runs from Prague to Chomutov and further to the German border. Its completion is planned for 2030. The Elbe River is an important waterway that connects inland Czechia with the North Sea.
- The unemployment rate was 7.5% in March 2026.
- In Q1 2026, gross take-up amounted to 40,400 sq m, out of which net take-up represented 64%.

Current Rent
€5.40 – 5.95 sq m/month

VYSOČINA REGION

TOTAL STOCK	NEW SUPPLY Q1 2026	UNDER CONSTRUCTION	VACANCY RATE
324,700 sq m	0 sq m	36,000 sq m	0.0%

- The road and rail network of the Vysočina Region holds strategic importance both nationally and across Europe. The region's territory is part of the Central European urbanized axis (Berlin – Prague – Vienna / Bratislava – Budapest). The D1 motorway thus serves both national and European transportation.
- The unemployment rate was 4.2% in March 2026.
- In Q1 2026, gross take-up amounted to 26,900 sq m, out of which net take-up represented 95%.

Current Rent
€5.60 – 6.20 sq m/month

DEFINITIONS

Total stock: Modern developer-led warehouse and industrial production space of A class quality (including built-in offices) owned by a developer or investor for lease excluding owner-occupied stock.

New supply: Completed newly built buildings that obtained a use permit in the given period.

Take-up: Total floor space let or pre-let to tenants over a specified period of time for a period longer than one year. Gross take-up also includes renegotiations and contract extensions. Net take-up includes new contracts, expansion of existing premises or pre-leases.

Current rent: Rent offered on the market in class A premises with an area of 4,000 - 5,000 sq m in a given period prior to incentives application.

Unemployment rate: Share of unemployed persons (per population aged 15-64) .

If you've got one about our research or you would like some property advice, we would love to hear from you.

Author:

Pavla Kubíková
Senior Researcher
+420 720 028 221
pavla.kubikova@cz.knightfrank.com

Lenka Šindelářová
Head of Research & Consultancy
+420 602 773 592
lenka.sindelarova@cz.knightfrank.com

Markéta Vrbasová
Partner | Head of Industrial & Logistics
+420 724 325 331
marketa.vrbasova@cz.knightfrank.com

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