

Prague Office Market

Q3 2025

A regular quarterly update on the Prague office market looking at supply and demand patterns and analysing major occupier trends

www.knightfrankprostory.cz/en/news
www.knightfrank.com/research



- Demand for office space in Prague remains solid; however, the office market is still a landlord's market. Even during lease renegotiations, landlords are aware that relocation represents a significant investment for tenants and that the supply of suitable alternative space is and will remain limited.

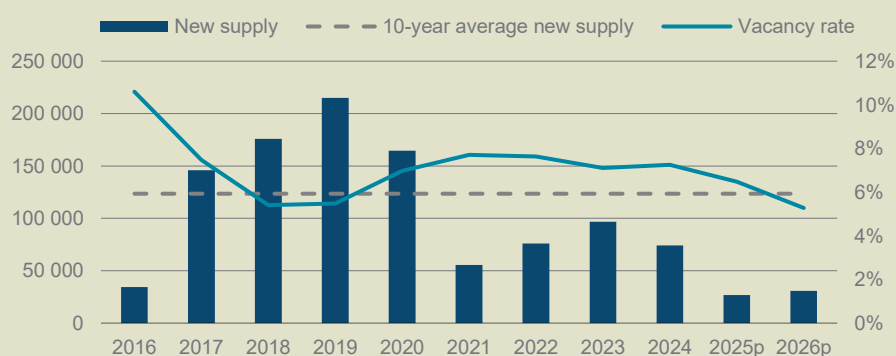
SUPPLY & VACANCY RATE

In Q3 2025, no new office building was completed. Annual new supply is projected to reach a record low of just 26,600 sq m. Reconstruction of the future headquarters of Generali Group has started, and the company will occupy three quarters of the space upon completion. The volume of office space under construction has risen to 244,200 sq m to be completed from 2025 to 2028, of that only 28% is currently available for occupation.

Vacancy decreased again by 7 basis points compared to the previous quarter and by 150 basis points year-on-year to 6.45%. The total volume of vacant modern office space in Prague dropped to 254,200 sq m. The lowest vacancy rates were recorded in Prague 2 (1.4%) and Prague 8 (3.4%), while the highest were in Prague 3 (13.1%) and Prague 9 (12.7%).

New Supply and Vacancy Rate

sq m, %



Source: Knight Frank Research, Prague Research Forum

Key Occupier Market Figures

Quarterly Gross & Net Take-up

Q3 2025



176,200 sq m
87,500 sq m

Prime Rent



€30.00 sq m / month

Vacancy Rate



6.45%

Under Construction



244,200 sq m

DEMAND

Total gross take-up reached 176,200 sq m in Q3 2025. This represents a quarter-on-quarter increase of 7%, and a year-on-year increase of 33%.

Renegotiations accounted for 49% of total occupational activity in Q3 2025. New leases and expansions had a 34% share on gross take-up, pre-leases 16%, while subleases a mere 1%. Net take-up amounted to 87,500 sq m, of which 30% are owner-occupation deals.

Occupational activity totalled 429,100 sq m in Q1-Q3 2025, down by 5%, while net take-up reached 245,800 sq m, up by 11% year-on-year.

The highest net take-up in the third quarter was recorded in Prague 5 (41%), followed by Prague 8 (19%) and Prague 4 (16%).

Finance companies were the key driver of demand (31%), followed by technology (16%), and pharmaceutical or medical companies (13%).

The most significant transactions of the third quarter of 2025 include the lease renewal by SAP in the Metronom building (27,900 sq m) in Prague 5. Nestlé renegotiated their lease in the Nestlé HQ (6,900 sq m) in Prague 4. Edwards Lifesciences Czech Republic renewed its lease in Praga Studios (5,300 sq m) in Prague 8.

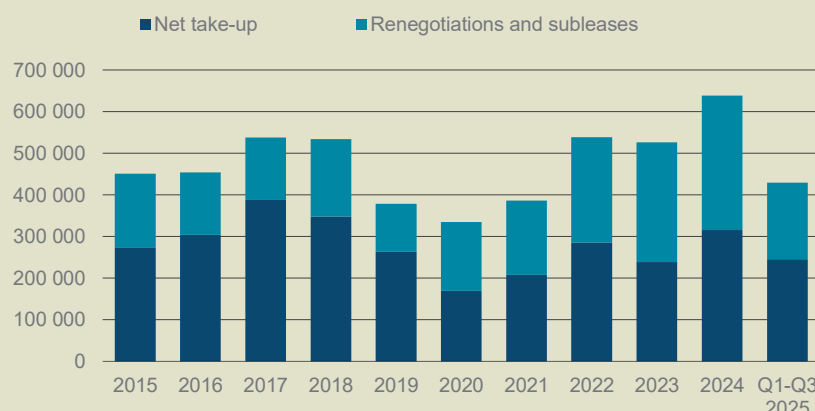
49%

Renegotiations represented 49% of total leasing activity in Q3 2025.

30%

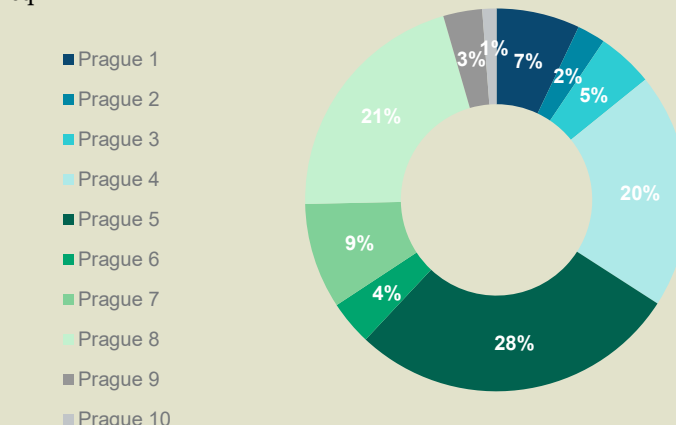
Owner occupier deals represented 30% of net take-up in Q3 2025.

Take-up sq m



Source: Knight Frank Research, Prague Research Forum

Net Take-up Q1-Q3 2025 sq m

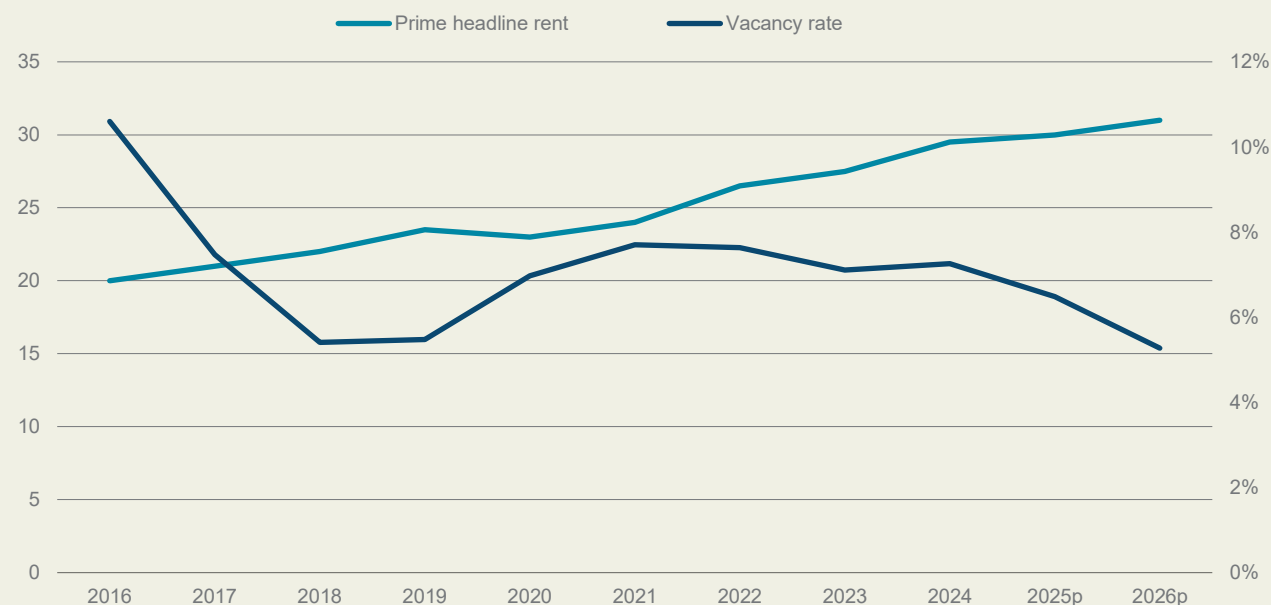


Source: Knight Frank Research, Prague Research Forum

- Prime rents are forecast to grow in the central and inner city locations with outer city headline rents to remain rather flat.

Prime Headline Rents and Vacancy Rate

€/sq m/month, %



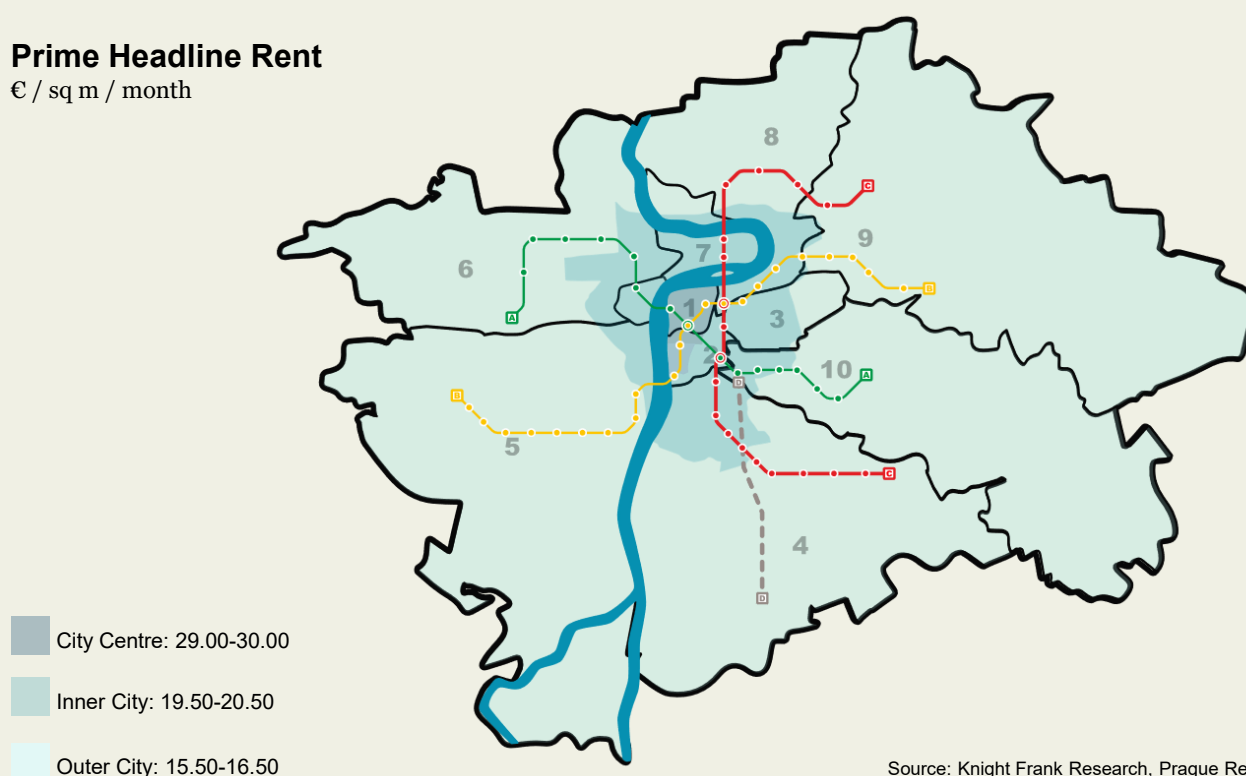
Source: Knight Frank Research, Prague Research Forum

PRIME HEADLINE RENT

In Q3 2025, prime headline rents remained stable at €29.00-30.00 per sq m / month in the city centre, at €19.50-20.50 per sq m / month in the inner city and €15.50-16.50 per sq m / month in the outer city.

Prime Headline Rent

€/ sq m / month



Source: Knight Frank Research, Prague Research Forum

Focus

Demand Sectors – Who is leasing where?

SECTOR BREAKDOWN

Over the past five years, the financial sector has become the main driver of demand, accounting for 24%.

The share of the financial sector increased mainly thanks to the exceptional transaction of Česká spořitelna (75,000 sq m) last year.

The technology sector (23%) and professional services (10%) followed. These three sectors also dominated the previous five-year period (2016–2020). Notably, five years ago, the technology sector was the leading contributor to demand. Recently, there has been an **increase in demand from healthcare companies and particularly various clinics**. These entities often rank among the most significant tenants and illustrate the gradual diversification of the tenant mix in office buildings. In general, the sector shares have remained more or less stable over the past ten years.

WHERE IS DEMAND HEADING

Trends within individual sectors reveal clear geographical preferences in the Prague office market. Technology tenants have the strongest presence in Prague 4 and 8, which corresponds to the concentration of modern office projects and the effort of these companies to attract employees to locations with a high level of amenities and services, and good transport accessibility close to the city centre. Financial tenants are primarily active in Prague 1, 4, and 5. Professional services maintain a balanced presence, with significant activity in Prague 1, 4, and 8. Overall, this distribution confirms that the leading office locations in Prague attract different types of tenants, with the technology and financial sectors remaining the main drivers of demand.

In the last five years, we have seen an increase in net take-up in central and inner-city areas at the expense of non-central locations.

► *Not only in the third quarter, but throughout the entire year 2025, net take-up was dominated by financial institutions, mainly through owner-occupier transactions.*

This trend was significantly driven by companies such as Generali Group and Banka Creditas. A similar pattern was observed last year as well, when take-up included, for example, the Česká spořitelna headquarters (75,000 sq m), which became the largest transaction in the history of the Prague market, along with Trinity Bank. Banks also place strong emphasis on ensuring that their headquarters meet the highest sustainability standards, and property ownership enables them to invest directly in the building and its fit-out.

Net take-up by sector 2021-Q3 2025

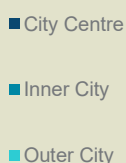
sq m



Source: Knight Frank Research, Prague Research Forum

Net take-up 2021-Q3 2025

sq m



Source: Knight Frank Research, Prague Research Forum

DEFINITIONS

Stock: Total completed office space (occupied and vacant), newly built since 1990 or refurbished, A and B class offices, owner occupied and for lease. Buildings fewer than 1,000 sq m are excluded.

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

Take-up: A gross figure representing the total floor space known to have been let or pre-let, sold or pre-sold to tenants or owner-occupiers over a specified period. It does not include space that is under offer. A property is taken up when the contract is signed. Total take-up includes renegotiations, lease extension and subleases, net take-up excludes these.

Vacancy rate: Ratio of physically and contractually vacant space in completed buildings on the total stock.

Sublease: Space offered for lease by a tenant who is contractually obliged to occupy the premises for a longer period than what they need.

Prime rent: Achieved headline rents that relate to new prime, high specification units in prime locations. However, there might be exceptional assets on the market, in which higher rent could be achieved.

Pokud máte dotazy k našim datům, nebo byste chtěli získat další informace či realitní poradenství, obraťte se na nás, rádi poradíme.



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



Office Agency
Jan Babka | Head of Office Agency
+420 702 276 335
jan.babka@cz.knightfrank.com



Project Management
Jiří Kacíř | Senior Project Manager
+420 721 770 760
Jiri.kacir@cz.knightfrank.com