

MARKET
FOCUS
PORTUGAL
2026

Better never settles

Olá!

Welcome to the first edition of Market Focus!

Portugal stepped into 2026 with confidence and a clear sense of momentum. Solid economic growth, low inflation, booming tourism and resilient capital markets continue to create a very supportive background for real estate. Across sectors, the story is consistent: demand is strong, quality matters more than ever and the best assets in the best locations remain in short supply.

Office markets in Lisbon and Porto are gaining traction again, driven by a clear move toward modern, sustainable and well located space. Retail keeps proving its strength, with prime high streets, shopping centres and retail parks showing very low vacancy and ongoing rental pressure. Logistics is rapidly transforming, with a strong focus on scale, automation and ESG standards, while alternative living sectors, particularly student housing and senior living, stand out for their long term fundamentals and clear supply gaps.

Tourism continues to add energy to the economy and investment conditions remain supportive, backed by liquidity, confidence and access to finance.

Whilst the format and visual identity are new, the purpose of this report remains the same: to analyse market shifts and trends, with a sharper focus on the outlook for each real estate sector.

We hope you enjoy the read — and thank you for being with us!



ANA GOMES
Head of Research & Insight



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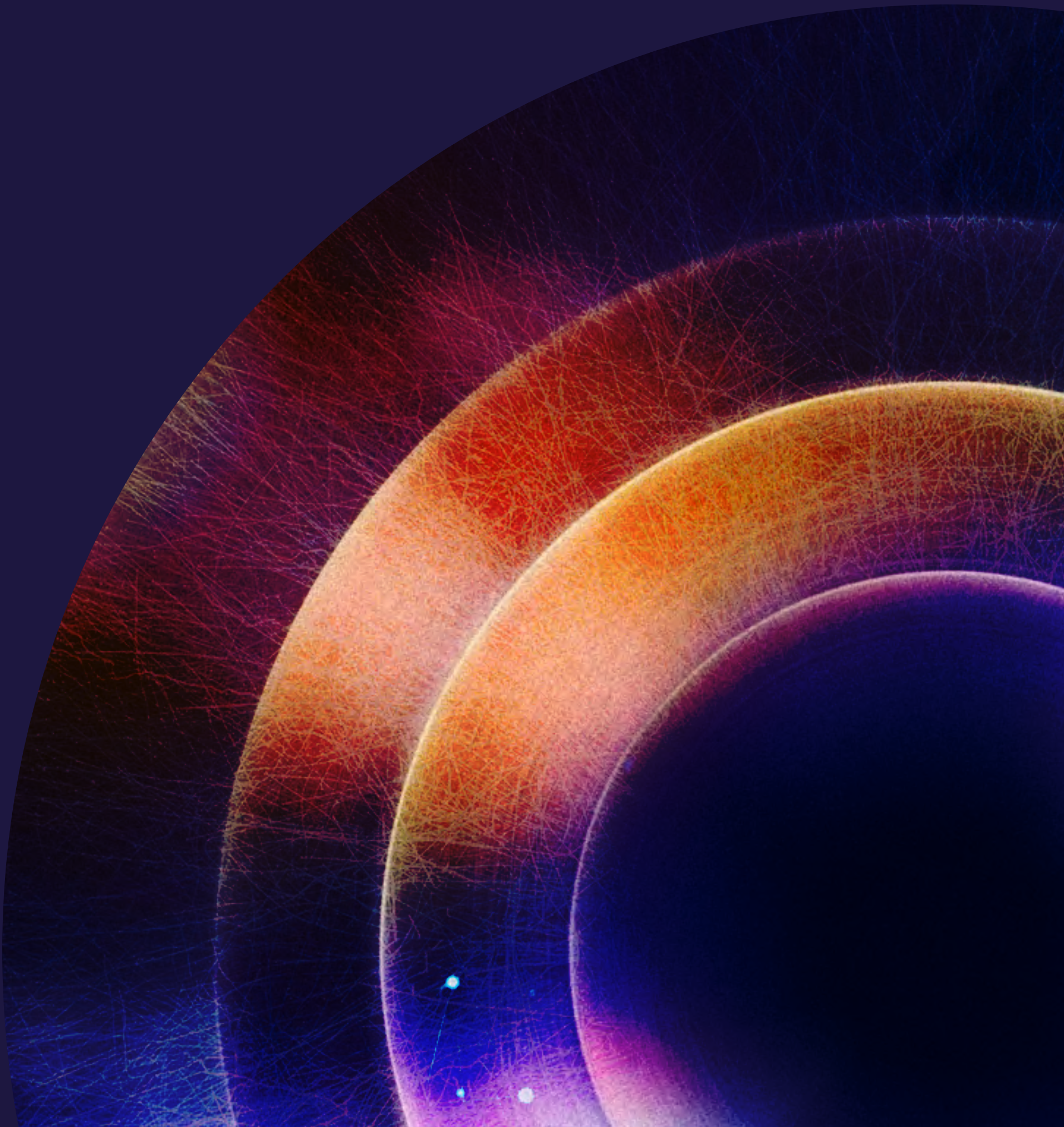
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01

ECONOMY



01

ECONOMY

ECONOMIC INDICATORS 2025



+1.9%
GDP



+6.6%
INVESTMENT



+2.3%
INFLATION



+3.5%
PRIVATE
CONSUMPTION



+1.3%
EXPORTS



6.0%
UNEMPLOYMENT
RATE

ECONOMIC FORECAST 2026/2027



+2.3% / +1.9%
GDP



+3.4% / +2.1%
INVESTMENT



+1.7% / +1.9%
INFLATION



+3.1% / +2.1%
PRIVATE
CONSUMPTION



+4.1% / +2.4%
EXPORTS



5.7% / 5.4%
UNEMPLOYMENT
RATE

Source: Moody's (February 2026)

ECONOMIC INDICATORS 2025 AND FORECAST 27/2026

- Portugal's economy expanded by 1.9% in 2025, outperforming the Euro Area average of 1.6%. This performance edge is expected to continue in 2026 (2.3% versus 1.6%), with growth converging with the Euro Area in 2027.
- Domestic demand remained the primary growth engine, with private consumption rising by 3.5% in 2025 and investment jumping to 6.6%. Both are projected to moderate from 2026 onwards, as temporary stimulus effects gradually fade.
- Labour market conditions continued to improve, with the unemployment rate falling to 6.0% in 2025 and forecasted to decline further to 5.4% by 2027, reflecting ongoing job creation and a strong employment environment.
- Inflation eased to 2.3% in 2025 and is expected to drop below 2.0% in 2026 and 2027, slightly below the Euro Area trajectory.
- After growing 3.1% in 2024, exports growth slowed to 1.3% in 2025, whilst imports rose 5.4%. Looking ahead, exports are expected to grow by 4.1% in 2026 before dropping to 2.4% in 2027, while imports gradually decline from 5.0% in 2026 to 2.6% in 2027, pointing to a progressively more balanced trade environment.

Portugal continues to experience a positive economic phase, driven by a favourable convergence of key factors. The country headed into 2026 with confidence after being ranked by The Economist as the best performing economy of 2025, a recognition driven by its strong growth, low inflation, booming tourism and robust stock market performance. This international endorsement reinforces the view that Portugal is well positioned for yet another solid year, with growth in 2026 expected to remain above the Euro Area average.



02

OFFICES



02 OFFICES GREATER LISBON



204,240 sq.m (-8%)
TAKE-UP



1,210 sq.m (-5%)
AVERAGE DEAL SIZE



7.0% (-0.6 p.p.)
VACANCY RATE

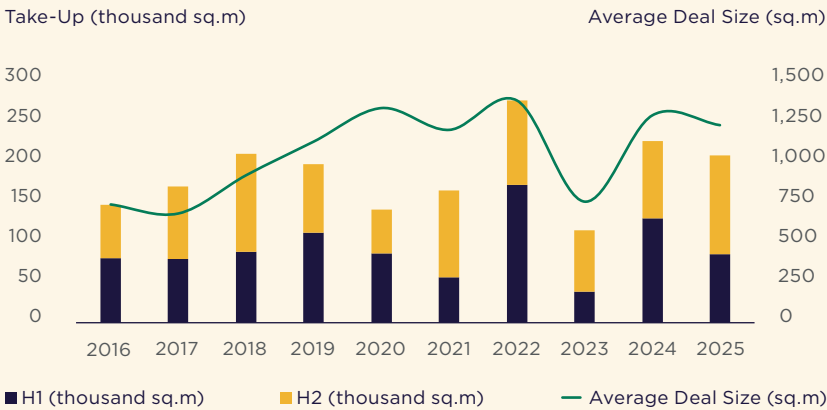


61,200 sq.m
NEW COMPLETIONS



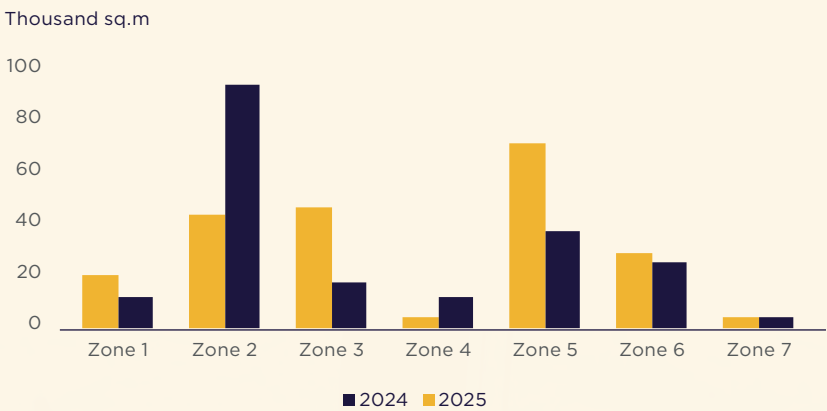
294,170 sq.m
UNDER CONSTRUCTION

TAKE-UP BY SEMESTER AND AVERAGE DEAL SIZE



Source: Cushman & Wakefield; LPI

TAKE-UP BY ZONE



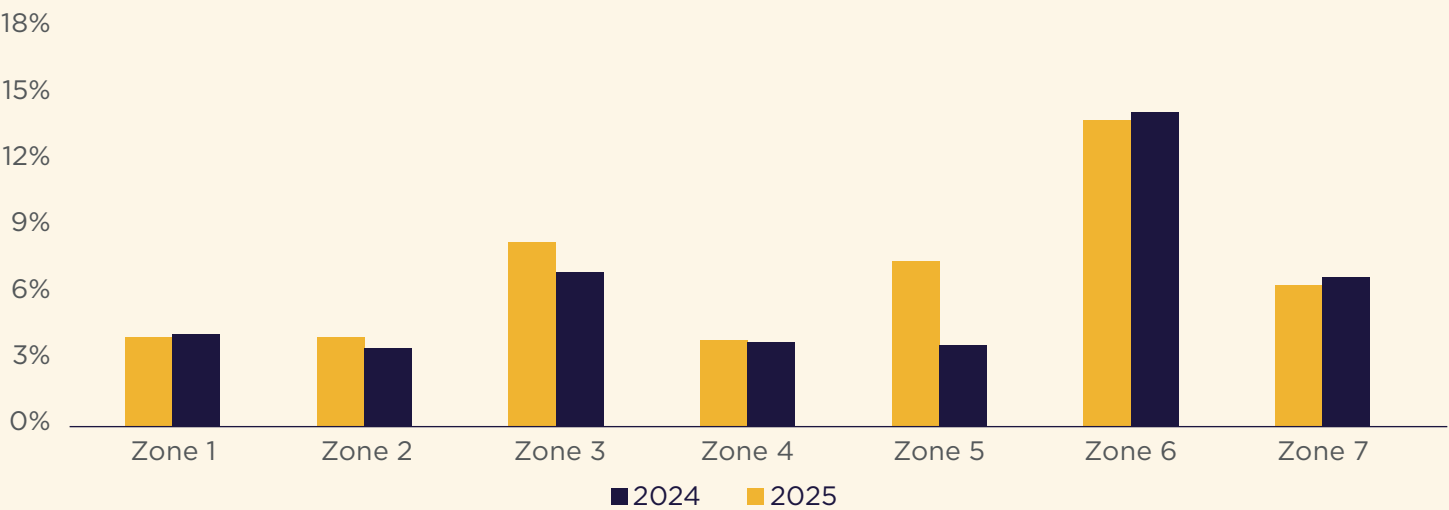
Source: Cushman & Wakefield; LPI

MAIN TRANSACTIONS

TENANT	PROJECT	ZONE	AREA (SQ.M)
Government offices	João XXI, 63 (former CGD HQ)	2	34,200
Banco de Portugal	Entrecampos - Entrecampos 1 - Bank of Portugal Building	2	32,000
Teleperformance	Oriente Green Campus	5	6,490
Confidential	Arts Business Centre	5	6,340
Confidential	Berna, 52 and 54	2	5,840
Aticco	República 26	2	5,530
Confidential	Oriente Green Campus	5	5,460
MAPFRE	Malhoa, 13	3	4,730
Confidential	Verde Parque	7	3,760
Concentrix	Arts Business Centre	5	3,600

Source: Cushman & Wakefield; LPI

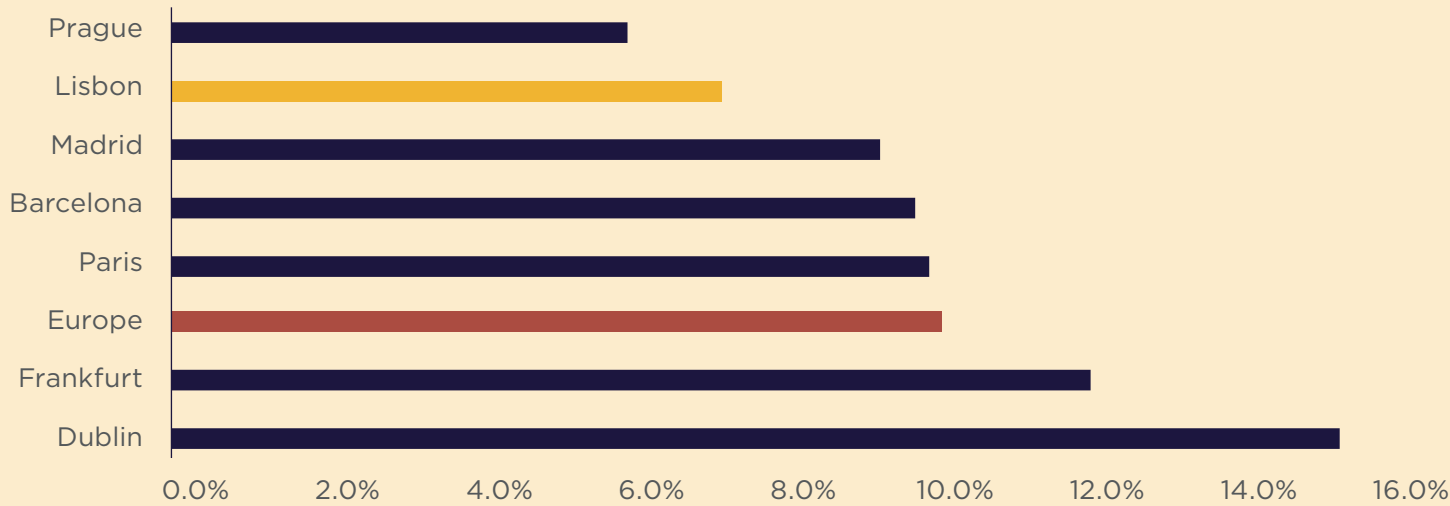
VACANCY RATE BY ZONE



Source: Cushman & Wakefield

02
OFFICES
GREATER LISBON

OFFICE AVAILABILITY RATIO IN SELECTED
EUROPEAN MARKETS Q4 2025



Source: Cushman & Wakefield

MAIN NEW COMPLETIONS

PROJECT	ZONE	CONSTRUCTION TYPE	DEVELOPER	AREA (SQ.M)
Oeiras Municipal Council - Town Hall	6	New	Oeiras Municipal Council	30,500
Republica 5	2	New	Signal Capital / Sonae Sierra	11,100
Camilo Castelo Branco 46	1	Refurbishment	Victoria Seguros	6,300
Cais 5	4	Refurbishment	Square Asset Management (Signal Capital)	5,900
Berna 52	2	Refurbishment	SGFPBP	4,500
Berna 54	2	Refurbishment	SGFPBP	2,900

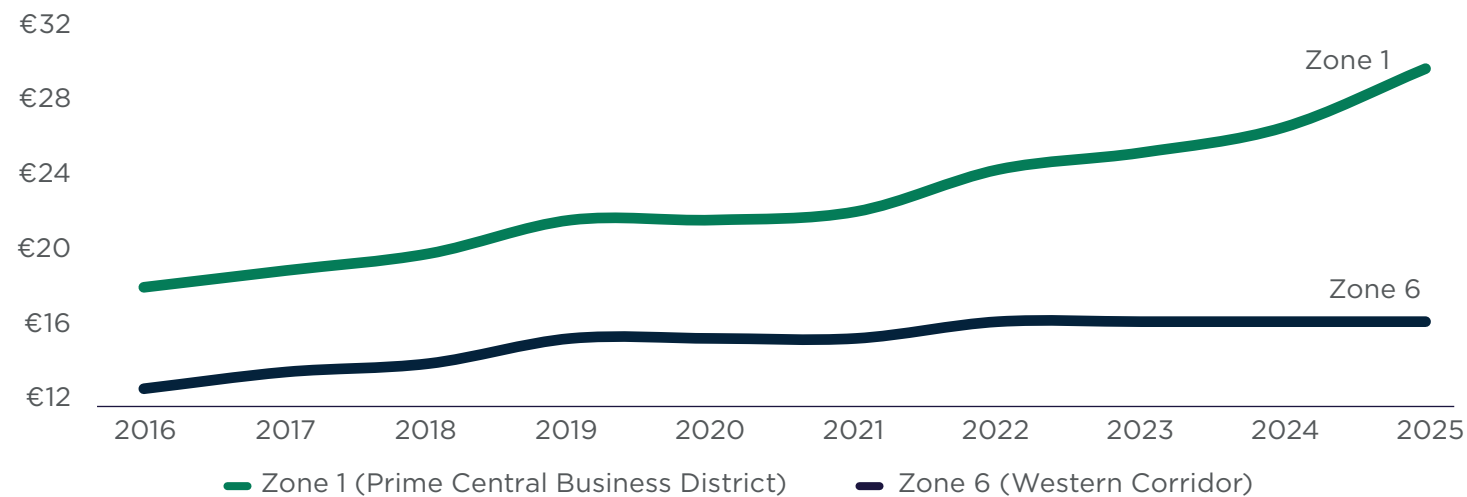
Source: Cushman & Wakefield

MAIN PROJECTS UNDER CONSTRUCTION

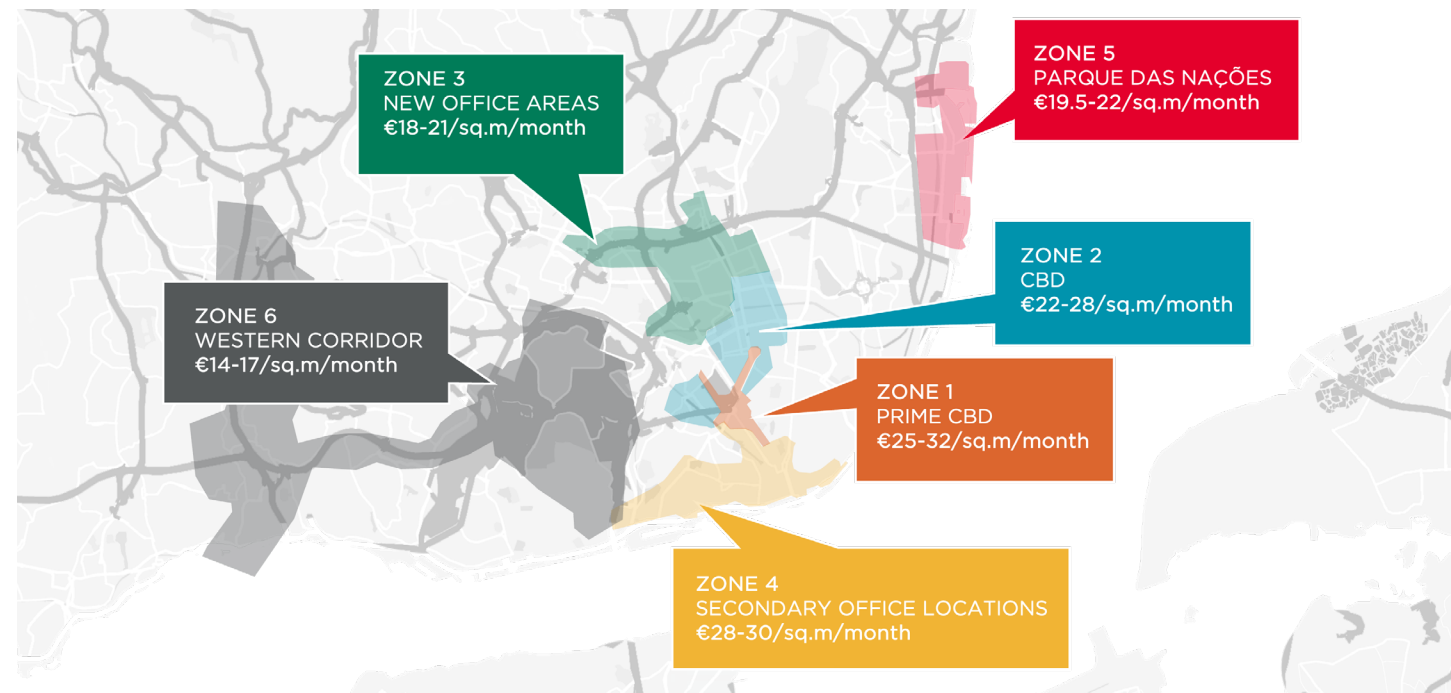
PROJECT	ZONE	CONSTRUCTION TYPE	DEVELOPER	EXPECTED COMPLETION DATE	AREA (SQ.M)	% RESERVED AREA
Entrecampos Project	2	New	Fidelidade	2028	104,600	31
Fidelidade - Álvaro Pais	2	New	Fidelidade	2026	38,400	69
Torres Colombo - Polaris	3	New	Sonae Sierra / AXA IM	2026	36,200	0
WellBe	5	New	Atenor	2026	26,700	100
DNA Campo Grande	3	New	Atenor	2028	14,500	0
Liberdade 201	1	Refurbishment	Merlin Properties	2027	13,100	0
Campo Novo - Building 1	3	New	Norfin (King Street)	2026	9,500	0
Camilo Castelo Branco, 43	1	Refurbishment	BPI Asset Management	2027	9,400	0
Rato 11	2	Refurbishment	French Family Office	2026	5,800	100
José Malhoa, 12	3	Refurbishment	FS Capital (AM Alpha)	2026	4,900	0

02 OFFICES GREATER LISBON

GREATER LISBON: PRIME RENTS



Source: Cushman & Wakefield



OFFICE PRIME RENTS IN SELECTED EUROPEAN MARKETS Q4 2025

OFFICES (PRIME CBD LOCATIONS)	
CITY	PRIME RENTS
Lisbon	32.00
Madrid	43.00
Barcelona	31.50
Milan	66.50
Dublin	58.30
Frankfurt	52.00
Paris	104.00
Prague	30.00

Source: Cushman & Wakefield

- Greater Lisbon recorded 204,240 sq.m of office take-up in 2025, down 8% YoY, yet still an excellent year and reflecting solid demand amid increased occupier selectivity.
- Demand was concentrated in CBD Zone 2, which accounted for 46% of total take-up, followed by Parque das Nações (18%). Occupier demand was led by the public sector, European institutions and associations (33%), with Business Services close behind at nearly 24%.
- Excluding the occupation of part of the former CGD headquarters by Government offices, the largest transaction was Banco de Portugal's 32,000 sq.m acquisition in Entrecampos for its future HQ, followed by Teleperformance's 6,490 sq.m lease at Oriente Green Campus.
- The overall vacancy rate fell by 0.6 p.p. YoY, with the improvement mainly concentrated in the most central Zones 2, 3, and 5. Compared with other European cities, Lisbon ranks among those with the lowest vacancy rates.
- Prime rents recorded strong YoY growth in central, well-connected locations, led by Zone 4 (Secondary Office Locations), where rents increased from €24 to €30/sq.m/month, followed by Zone 2 (CBD), which rose from €23 to €28. Zone 1 (Prime CBD) also saw solid growth, moving from €28.5 to €32, whilst Zone 5 (Parque das Nações) experienced more modest growth, edging up from €21 to €22.
- Development remained robust, addressing ongoing quality shortages, with 327,860 sq.m in the three year pipeline, of which 294,170 sq.m is currently under construction (with 37% already pre occupied).



02 OFFICES

GREATER LISBON

2026 OUTLOOK

Lisbon's office market has clearly entered a new and distinctly positive cycle, despite the slight drop in take up seen in 2025, which was driven mainly by a shortage of available high-quality space rather than by weakening demand. Recent market data underline this point: although office take up in 2025 declined by 8% year on year, vacancy levels across the most central zones remained extremely low, with further reductions recorded in Zones 2 (CBD), 3, 4 and 5, clearly indicating that demand continues to exceed available supply. Lisbon is now counted among the ten European office markets with the tightest vacancy rates.

Demand is set to gain further drive in 2026, with companies increasingly seeking flexible, modern and sustainable workplaces in central, highly accessible locations, particularly well connected by public transport. The ongoing shift toward higher quality office space is now evident: occupiers are consistently favoring top tier buildings in prime areas and are becoming more willing to pay a premium for the best space available.

However, supply in Lisbon will remain limited, as most office developments currently under construction will not be delivered until 2027 or later, and a significant proportion of future pipeline is already pre let (37%). This limited supply, combined with strong demand, continues to place upward pressure on rents, especially in Lisbon's core areas where occupier interest is strongest. This clearly demonstrates the broader shift toward higher quality space, which has already helped push prime rents to a record €32/sq.m/month in 2025 (zone 1), narrowing the gap with Madrid, where prime rents stand at €42/sq.m/month and aligning with Barcelona where prime rents stand at €31.50/sq.m/month.

Even as prime rents continue to rise, Lisbon remains more cost effective than Madrid and Barcelona, offering occupiers a convincing combination of lower operational costs, a more affordable cost of living for staff, and high quality talent. These factors, together with more competitive staff costs, reinforce the city's appeal for international companies.

Lisbon has already established itself as a preferred hub for shared services, financial services and global business support operations, and this trend is set to continue. As a new wave of modern, sustainable office developments, newly built or fully refurbished, in the most central locations, enters the market over the next couple of years, the city is well positioned to attract even more multinational occupiers looking for quality, efficiency, sustainability and long term value.



02 OFFICES GREATER PORTO



43,700 sq.m (-43%)
TAKE-UP



690 sq.m (-32%)
AVERAGE DEAL SIZE



8.8% (-0.1 p.p.)
VACANCY RATE

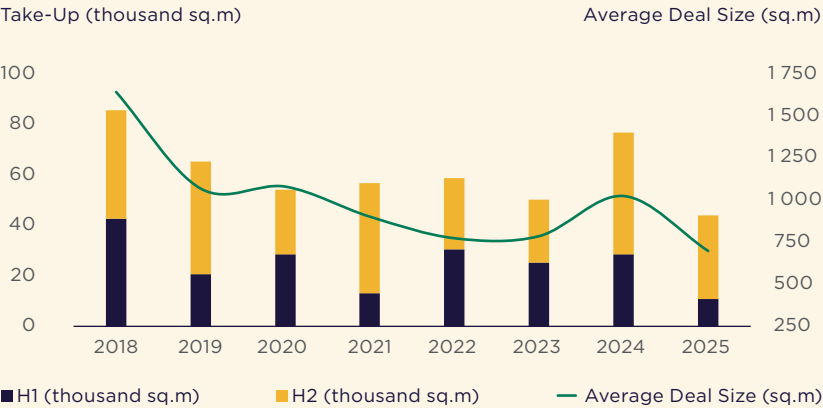


41,800 sq.m
NEW COMPLETIONS



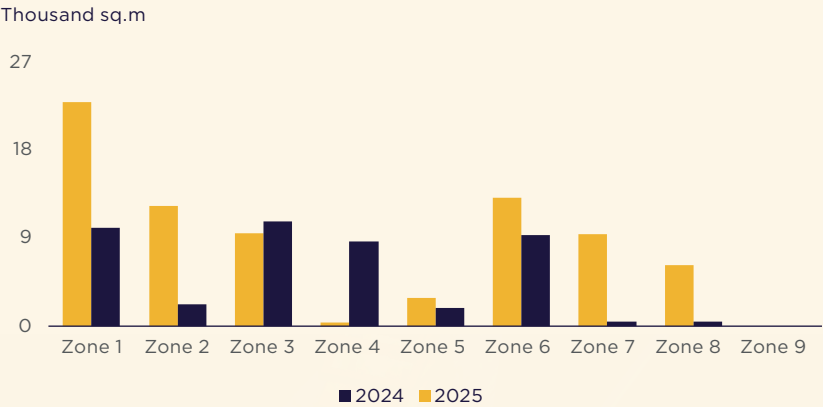
98,580 sq.m
UNDER CONSTRUCTION

TAKE-UP BY SEMESTER AND AVERAGE DEAL SIZE



Source: Cushman & Wakefield; PPI

TAKE-UP BY ZONE



Source: Cushman & Wakefield; PPI

MAIN TRANSACTIONS

TENANT	PROJECT	ZONE	AREA (SQ.M)
Mota Engil	M-ODU	4	8,680
PwC	Menéres 612	6	3,450
Confidential	Viva Offices	3	3,340
DeHouse	BUZ	6	1,600
AESE	BLO - Bessa Leite	1	1,330

Source: Cushman & Wakefield; PPI

MAIN NEW COMPLETIONS

PROJECT	ZONE	CONSTRUCTION TYPE	DEVELOPER	AREA (SQ.M)
Viva Offices	3	New	GFH / Sonae Sierra	18,800
Mutual	1	Refurbishment	Osborne+Co / Adriparte	10,400
Latino Coelho, 85	2	Refurbishment	Geo Investments	5,100
Joana D'Arc	6	Refurbishment	Geo Investments	4,500
BUZ	3	New	Castro Group	1,600

Source: Cushman & Wakefield

MAIN PROJECTS UNDER CONSTRUCTION

PROJECT	ZONE	CONSTRUCTION TYPE	DEVELOPER	EXPECTED COMPLETION DATE	AREA (SQ.M)	% RESERVED AREA
Fernão de Magalhães, 127 (Magnet)	2	Refurbishment	Avenue	2027	17,400	0
Office Project Francos	1	New	-	2028	16,000	100
HOP (formerly La Vie)	2	Refurbishment	Quest Capital / Tikehau Capital	2026	15,700	0
HillCrown	8	New	-	2028	15,000	0
M-ODU (Matadouro)	4	Refurbishment	Porto City Council	2026	12,200	71
SPARK Matosinhos	6	New	Castro Group	2025	12,000	0

Source: Cushman & Wakefield



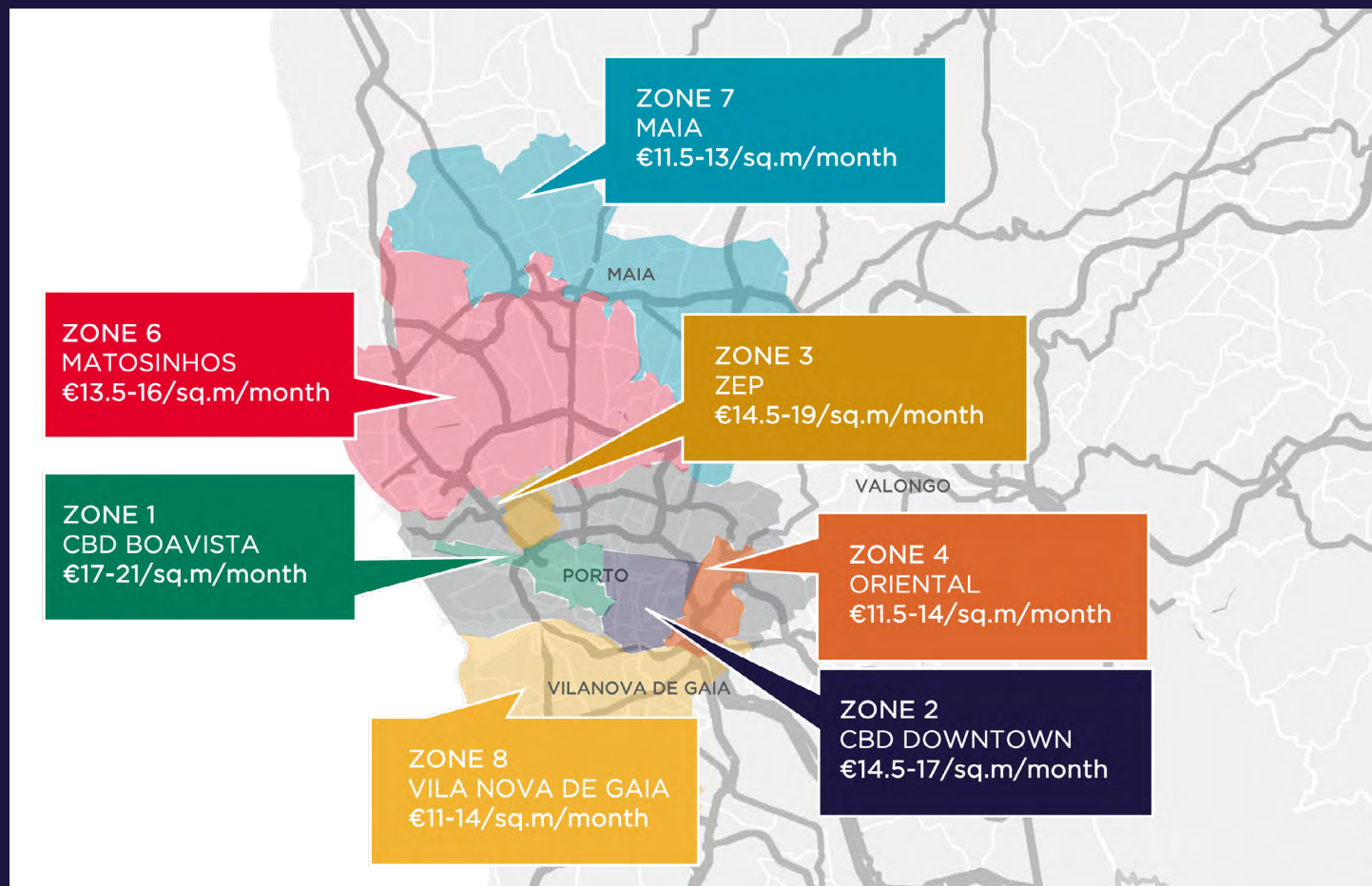
02

OFFICES

GREATER PORTO

- Office take up in Greater Porto totalled 43,700 sq.m in 2025, representing a 43% YoY decline. Demand was evenly spread across Zones 1, 3, 4 and 6, each accounting for roughly 20%-24% of total take-up.
- Activity was led by Mota Engil's 8,680 sq.m occupation at the MODU project, reflecting the relocation of its headquarters.
- Vacancy levels remained broadly stable, edging down slightly from 8.9% to 8.8% YoY, while prime rents were unchanged across all zones throughout the year.
- Development activity also remained steady, with approximately 119,900 sq.m in the three year pipeline, of which 98,600 sq.m is currently under construction and 32% already pre let.

GREATER PORTO: AVERAGE AND PRIME RENTS





02 OFFICES

GREATER PORTO 2026 OUTLOOK

The Porto office market entered 2026 with conditions set for improvement after a challenging 2025, when take up fell mainly due to the lack of good quality supply rather than a slowdown in demand. Decision making was also heavily affected by international political uncertainty, particularly the tariff announcements earlier in the year. As the economic engine of Portugal's industrial north, Porto is naturally more exposed to the impact of such external shocks, yet businesses have shown they can adapt once uncertainty begins to settle, setting the base for a more confident year ahead.

In 2026, the key to unlocking Porto's potential will be raising the standard of office delivery. The Greater Porto area remains highly attractive, but rising rents combined with office space that often falls short of standard Cat A fit out makes it less competitive. Unlike Lisbon, fully finished, ready to occupy, good quality, sustainable offices are still not the norm, and tenants are increasingly unwilling to invest in fit out themselves. For Porto to strengthen its position and compete with other European cities, the market needs greater consistency in the quality of space offered to occupiers.

Looking forward, demand is expected to grow around turn key offices with strong service offerings, which will differentiate the best buildings in the market. The stronger the quality of the product, both in terms of fit-outs and sustainability, the stronger the demand and the lower the vacancy. Location will remain a decisive factor, and well positioned, high quality projects are likely to see the fastest absorption. Together, these elements point to a more dynamic and positive 2026 for Porto's office market.



03

RETAIL



03 RETAIL

RETAIL SALES INDEX¹



118 (+5.6%)
TOTAL



125 (+5.9%)
NON-FOOD RETAIL



110 (+5.4%)
FOOD RETAIL



49.6% (+0.7 p.p.)
E-COMMERCE
(CONSUMERS WHO MADE PURCHASES / ORDERS ONLINE)

FOOTFALL AND SALES INDEX IN SHOPPING CENTRES²



+3.9%
SALES



-0.3%
FOOTFALL

RETAIL SCHEMES



51,930 sq.m
NEW
COMPLETIONS



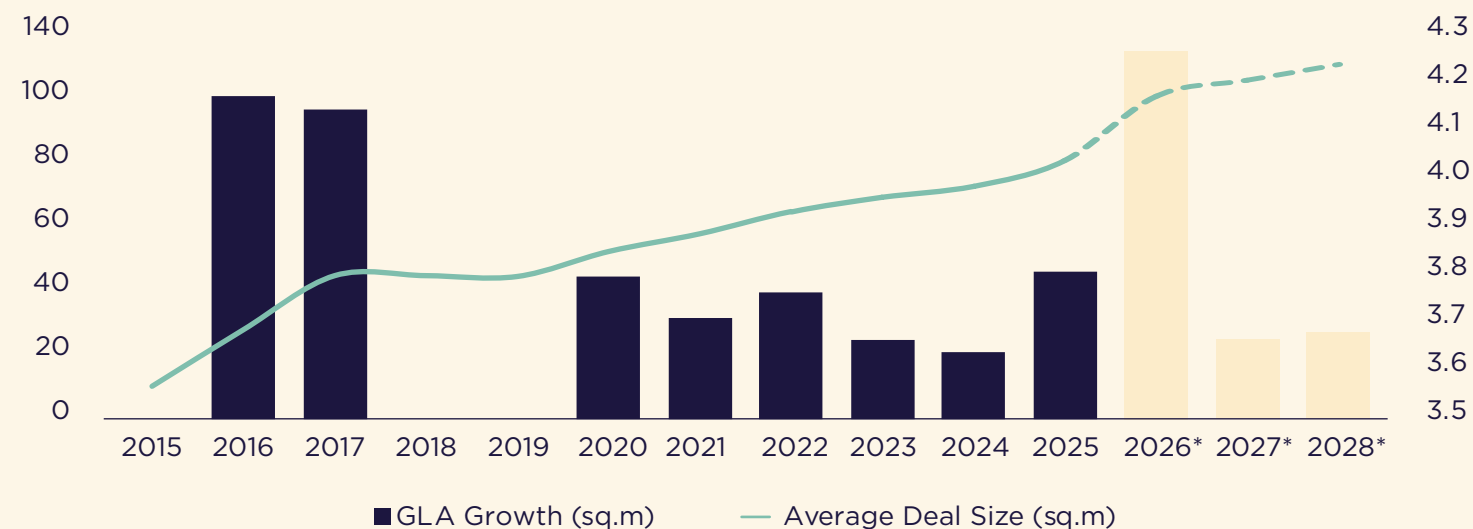
192,500 sq.m
PIPELINE³

- Retail activity remained positive in 2025, supported by new openings and sales growth; retail sales rose 5.6% YoY, led by non-food (+5.9%) but closely followed by food.
- After a strong 2024, shopping centre sales increased 3.9% YoY; footfall remained stable.
- Retail parks dominated development, with three projects adding 38,000 sq.m of GLA, led by Nova Vila Retail Park (22,000 sq.m).
- Around 192,500 sq.m of new GLA is planned over the next three years, of which 55% are under construction, with retail parks accounting for 83% of future supply.

SUPPLY OF RETAIL SCHEMES

GLA Growth (Thousand sq.m)

Total GLA (Million sq.m)



Source: Cushman & Wakefield
* Pipeline

¹ Source: INE; Data deflated and adjusted for calendar and seasonal effects; Index based on 2021 = 100. ;
² Source: APCC; year-on-year change; Jan – Nov 2025 ; ³ Until 2028.





03 RETAIL

LISBON HIGH STREET



38 (-5%)
NEW OPENINGS PRIME
ZONES LISBON



58%
F&B

PORTO HIGH STREET

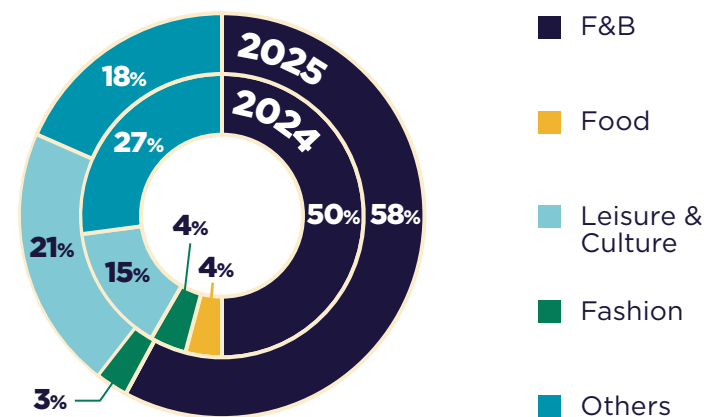


17 (+113%)
NEW OPENINGS PRIME
ZONES PORTO



29%
OTHER

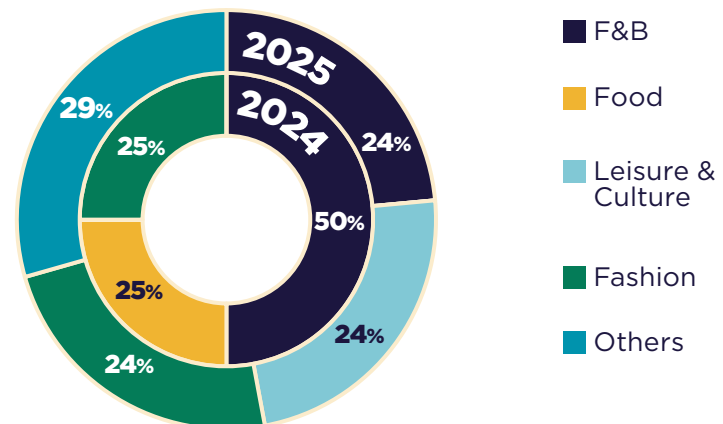
NEW OPENINGS BY SECTOR OF ACTIVITY- PRIME ZONES LISBON



Source: Cushman & Wakefield

- 38 new retail units opened in Lisbon's prime high street locations in 2025, a 5% decrease year on year, with F&B accounting for 58% of openings.
- Severely limited availability continues to constrain new store openings in Lisbon's five prime zones, with vacancy levels remaining exceptionally low.
- Occupier demand remains strong, although many units that come to market no longer meet increasingly stringent requirements in terms of size, layout, and specifications.
- Notable recent openings include Well's new 2,000 sq.m flagship store in Chiado, the new New Balance store on Rua Garrett (Chiado), luxury brand Eleventy in the former Diário de Notícias building on Avenida da Liberdade, and the luxury restaurant JNcQuoi Fish, also on Avenida da Liberdade.

NEW OPENINGS BY SECTOR OF ACTIVITY- PRIME ZONES PORTO



Source: Cushman & Wakefield

- 17 new retail units opened in Porto's prime high street locations in 2025, marking a sharp 113% YoY increase. Openings were evenly distributed across F&B, Leisure & Culture, Fashion and Other goods (including cosmetics, jewelry and accessories), each accounting for roughly 24%-29% of the total.
- New supply in Porto continues to be driven by new developments and the repositioning of existing buildings, supporting the opening of additional retail units.
- Porto High Street continues to show strong retail momentum, supported by mass market growth and an increasing focus on flagship stores. Recent openings include Primor's second store, a 700 sq.m unit on Rua das Flores, ECCO on Rua de Santa Catarina, Wondersense in the Clérigos area, and the Pandora flagship, also on Rua de Santa Catarina. This activity is complemented by new brands prioritising Porto, such as Sabor a España, the return of national brands to the city centre (Xtreme and Castelbel), and Portugal's first stores and flagships from Fujifilm (Bonjardim, Rua de Sá da Bandeira) and Druni (Praça do Bom Sucesso, Península Gallery).

03

RETAIL

PRIME RENTS

RETAIL SCHEMES



€120/sq.m /month
SHOPPING CENTRE



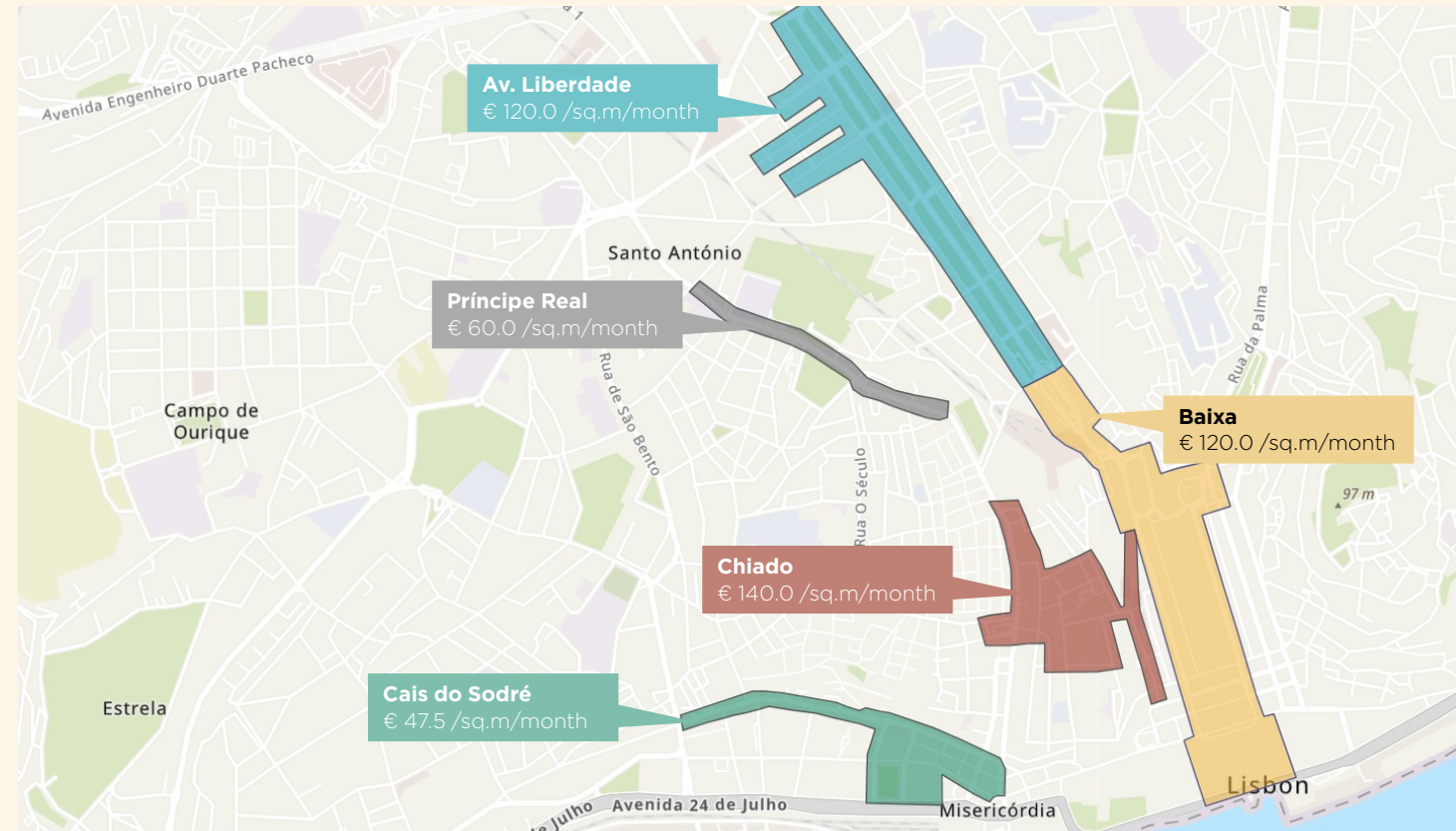
€13/sq.m /month
RETAIL PARKS



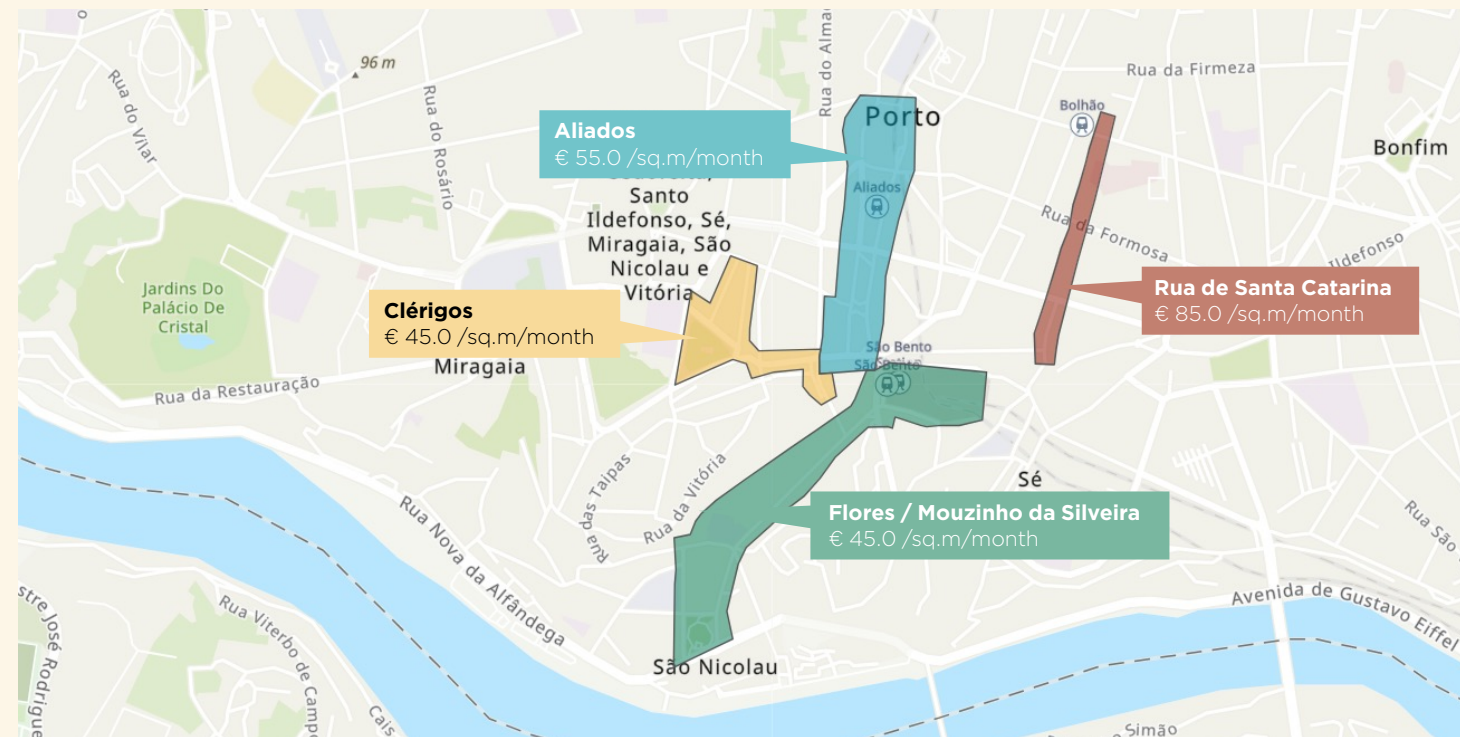
PRIME RENTS

- Strong demand and limited supply pushed market rents to record levels.
- Lisbon high street: Prime rents increased by €5/sq.m/month YoY in Chiado, Avenida da Liberdade and Príncipe Real.
- Porto high street: Prime rents remained more stable, except for Baixa and Rua das Flores / Rua Mouzinho da Silveira, where rents rose by €2.5/sq.m/month.
- Shopping centres and retail parks: Prime rents remained unchanged.

HIGH STREET RETAIL – LISBON PRIME ZONES & PRIME RENTS



HIGH STREET RETAIL – PORTO PRIME ZONES & PRIME RENTS



Source: Cushman & Wakefield



Pandora Flagship Porto



03 RETAIL

2026 OUTLOOK

The Portuguese retail real estate sector continues to demonstrate vitality, with historically high occupancy levels and steady sales growth. The main constraint on further expansion continues to be the limited availability of quality space for new store openings, a factor that is expected to persist in 2026.

In high street retail, prime locations in Lisbon and Porto continue to record extremely low vacancy rates. In these areas, prime retail space is increasingly viewed as a strategic asset, playing a key role in brand positioning, visibility and influence within main commercial streets. As a result, retailers are becoming more demanding in their space selection, combining technical requirements with distinctive architecture, strong visibility and high pedestrian flows. Some of the units that become available are unable to meet these increasingly strict criteria.

Supply in prime high street locations remains structurally limited, with new opportunities arising only occasionally, often through the repositioning or refurbishment of existing buildings. This remains a key driver of growth in high street retail, but also a limiting factor for store expansion despite continued growth in demand. Availability is even more constrained in the main luxury locations, such as Avenida da Liberdade in Lisbon and Avenida dos Aliados in Porto. This imbalance between supply and demand has continued to push rents upward over the past year, a trend expected to continue into 2026.

Flagship stores are set to further consolidate their role in brand strategies during 2026, reinforcing consumer experience through both the building itself and its location.

Shopping centres are expected to maintain their dominant position within the retail market, continuing to attract high visitor numbers and deliver solid and consistent sales growth. At the same time, retail parks remain a growing format, driven by increasing consumer appreciation for convenience, accessibility and functionality.

In Portugal, retail park supply remains relatively limited but has been growing steadily. This growth is supported by strong retailer demand for new space, through both the renewal of existing concepts and the development of new projects across multiple regions, as well as by growing developer confidence in this format. Currently, more than 15 retail park projects are in the pipeline nationwide, with nine expected to be completed during 2026.

Finally, retailtainment is expected to consolidate as a cross segment trend in 2026. As a response to the transformation of traditional retail, this concept focuses on experience, emotion and storytelling to strengthen customer engagement and brand loyalty, reflecting both international trends and increasingly demanding consumer expectations.



04

INDUSTRIAL & LOGISTICS



04

INDUSTRIAL & LOGISTICS



484,970 sq.m (-39%)
TAKE-UP



6,640 sq.m (-26%)
AVERAGE DEAL SIZE



85%
LEASE / SALE
(NOT OWNER-OCCUPIED)

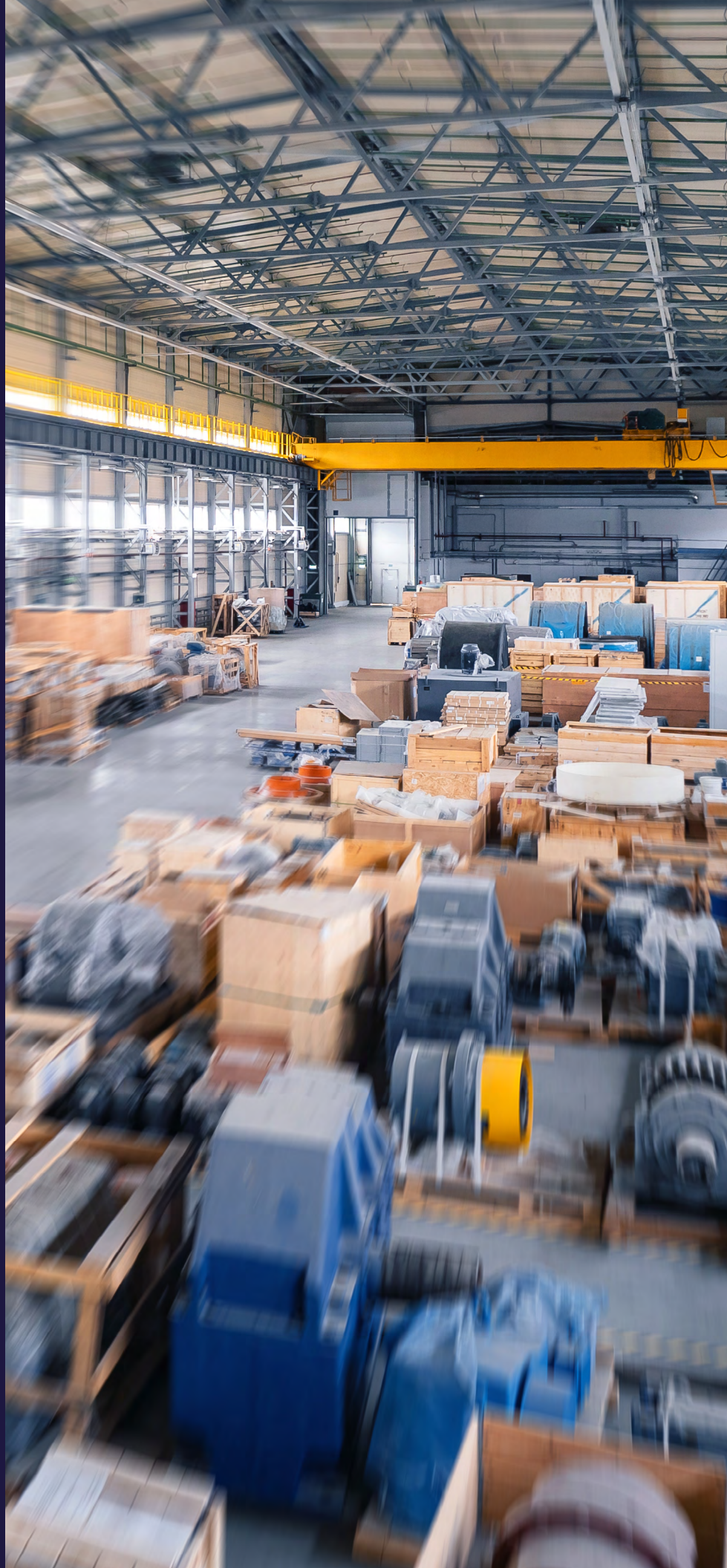
GREATER LISBON
LOGISTICS MARKET:



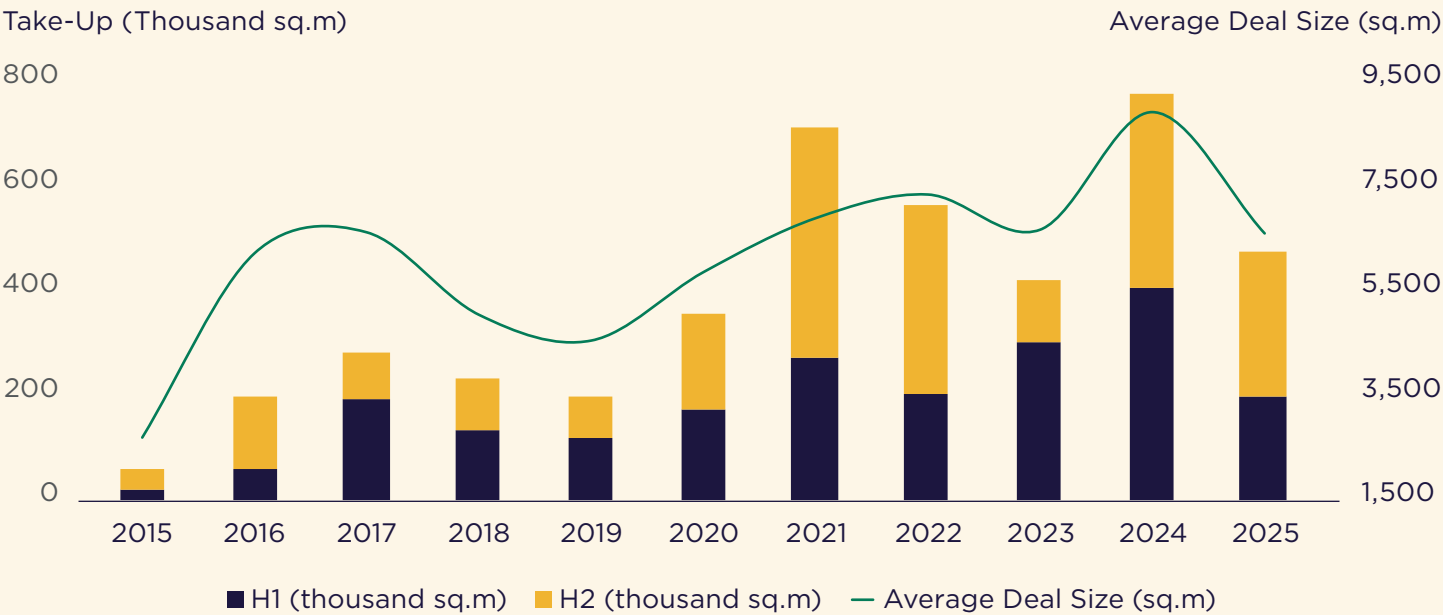
3.3 million sq.m
STOCK



4.1%
VACANCY RATE



TAKE-UP BY SEMESTER AND AVERAGE DEAL SIZE



Source: Cushman & Wakefield; IPI (Industrial Prime Index)

MAIN TRANSACTIONS

TENANT	PROJECT	REGION	ZONE ⁴	COVERED AREA (SQ.M)
Confidential	Panattoni Sta. Maria da Feira	Greater Porto	13	57,300
SPAR	Panattoni Santarém Park	West and Tagus Valley	18	17,500
Confidential	Quinta da Velha	Greater Lisbon	2	17,400
Worten	Adarse Logistics Park	Greater Lisbon	2	16,800
Confidential	Pousos Logistics Platform	Centre	18	16,200
HyChem – Química Sustentável	Vale Tripeiro Industrial Park - Benavente	Greater Lisbon	4	15,700
Ontime Logística Integral	Vialonga Warehouse	Greater Lisbon	2	15,500
Tesla	Alegre S. João da Talha Project	Greater Lisbon	2	15,500
Vieira de Castro – Produtos Alimentares	New Industrial Unit	Greater Porto	17	12,600
Midsid	Quinta da Marquesa IV	Greater Lisbon	5	11,700

Source: Cushman & Wakefield; IPI

⁴Reflects the new zones used in the IPI, which correspond to those in the income map. To these are added zones 17: Rest of the North, 18: Rest of the Centre, and 19: Rest of the South.

04

INDUSTRIAL & LOGISTICS

URBAN LOGISTICS (LAST MILE)



€7.1-8.0/sq.m/month

LISBON



€6.4-7.1/sq.m/month

PORTO

MAIN NEW COMPLETIONS

PROJECT	REGION	ZONE	DEVELOPER	AREA (SQ.M)
Panattoni Park Valongo	Greater Porto	16	Panattoni	75,000
Loures Logistics Warehouse	Greater Lisbon	6	Lidl	54,000
Almeirim Logistics Block (Mercadona) – Phase II	West and Tagus Valley	18	Garcia Garcia	47,000
Lisbon North Logistics Platform – Phase II	Greater Lisbon	1	Merlin Properties	33,000
Crestins Logistics Platform	Greater Porto	10	M7 Real Estate	22,000

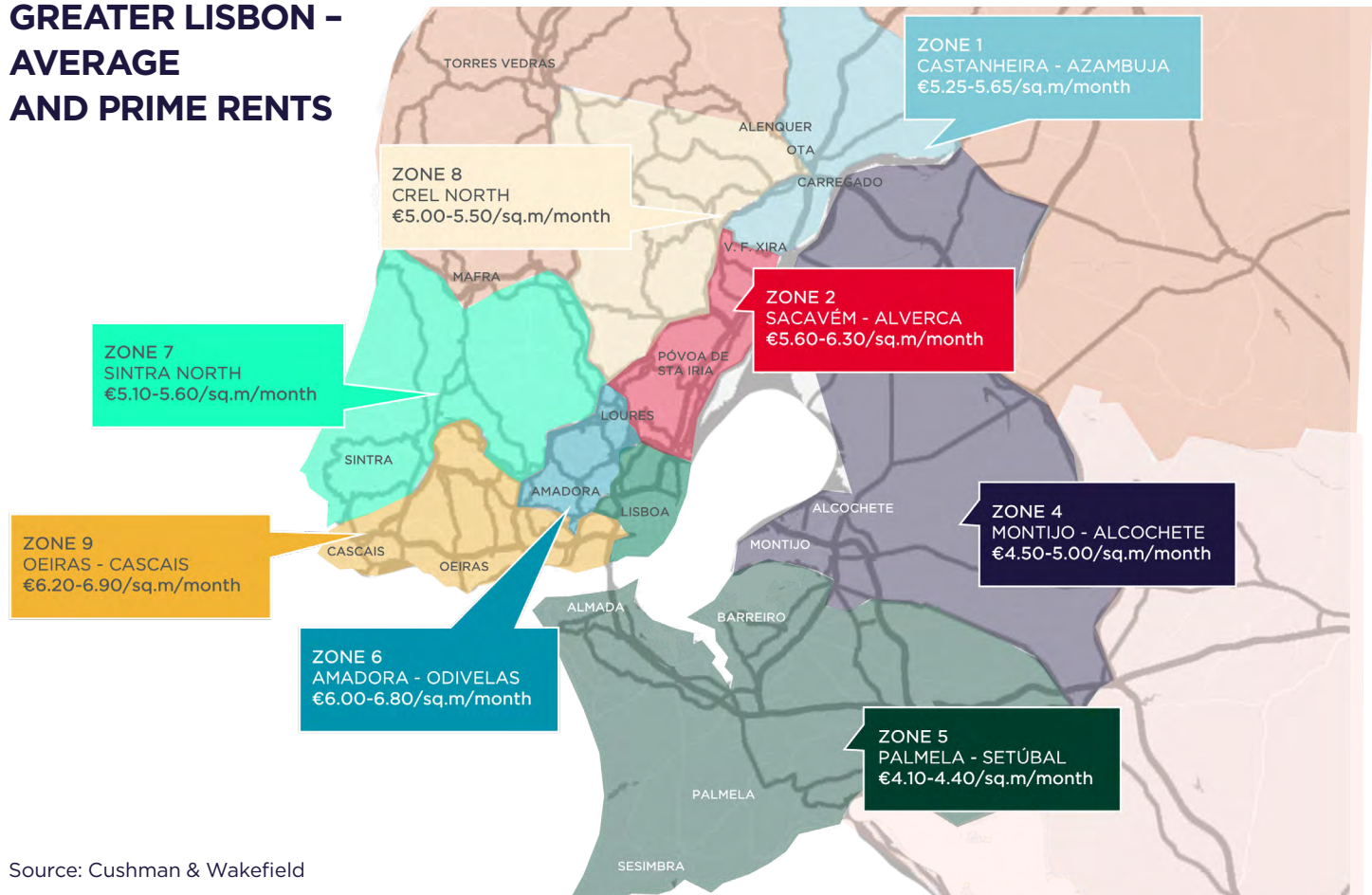
Source: Cushman & Wakefield

MAJOR PROJECTS UNDER CONSTRUCTION

PROJECT	REGION	ZONE	DEVELOPER	EXPECTED COMPLETION DATE	AREA (SQ.M)
Lisbon North Logistics Platform - Phase III	Greater Lisbon	1	Merlin Properties	2027	114,500
Malveira Prime Logistics	Greater Lisbon	7	Blackstone / M7	2026	68,700
Panattoni Park Lisbon-City – Phase I	Greater Lisbon	2	Panattoni	2027	48,200
Quinta do Barrão - Montijo	Greater Lisbon	4	Logicor	2026	37,000
Loures Park	Greater Lisbon	2	-	2026	35,700

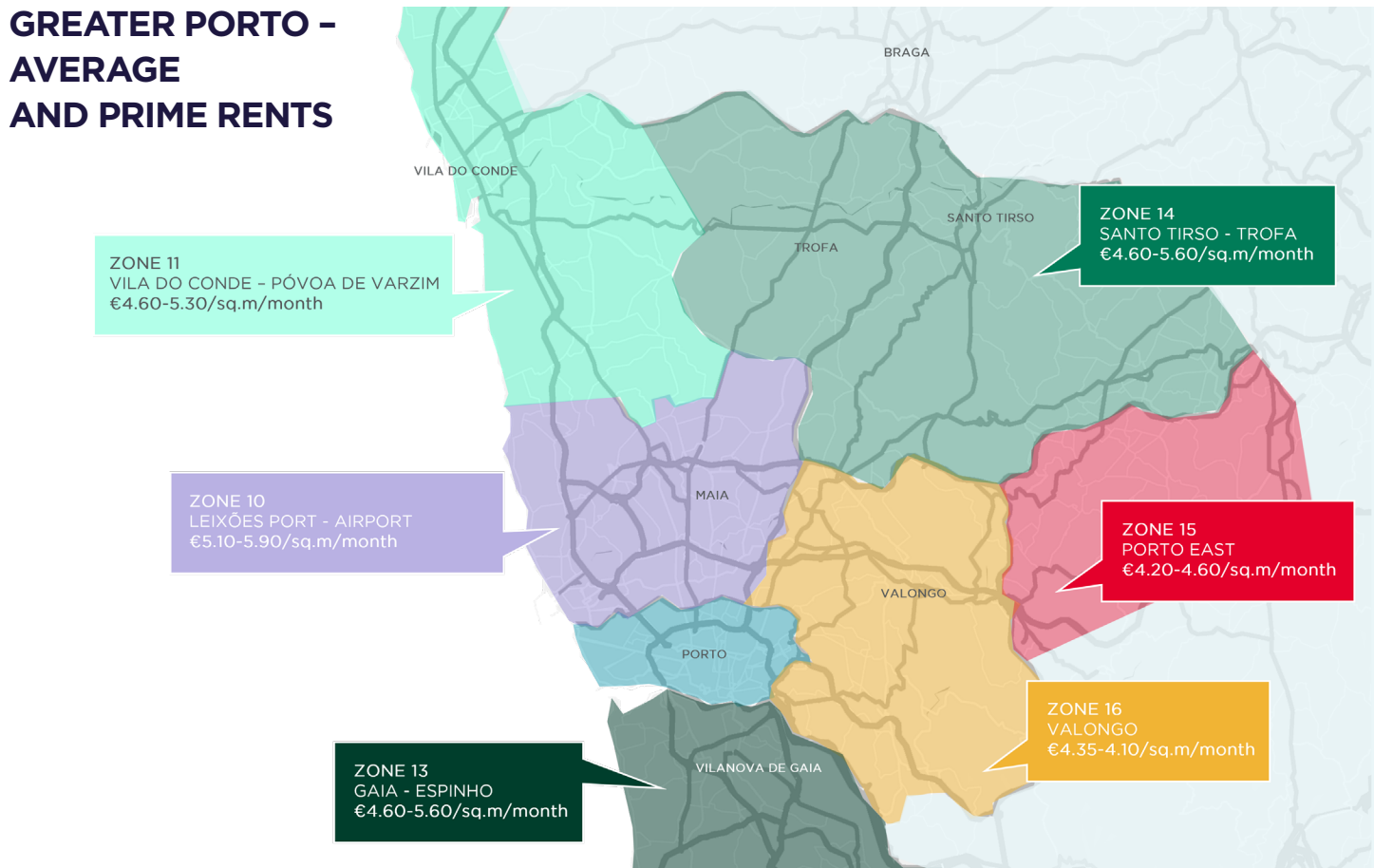
Source: Cushman & Wakefield

GREATER LISBON - AVERAGE AND PRIME RENTS



Source: Cushman & Wakefield

GREATER PORTO - AVERAGE AND PRIME RENTS



Source: Cushman & Wakefield

04

INDUSTRIAL & LOGISTICS

- Industrial & logistics take up totalled 484,970 sq.m in 2025, down 39% YoY from 2024's peak, with an average deal size of 6,640 sq.m.
- Activity was driven by several sizeable operations across logistics and industrial projects, with the largest involving the Panattoni developments in Santa Maria da Feira and Santarém Park. Greater Lisbon and Greater Porto accounted for 56% and 34% of take up, respectively.
- Vacancy in Greater Lisbon, which remains very low, dropped slightly from 4.2% to 4.1% YoY, highlighting continued supply constraints.
- New supply remained elevated, with 303,250 sq.m delivered in 2025, mainly in Greater Lisbon and Greater Porto, and around 449,900 sq.m currently under construction, 56% of which is pre let.
- Rents continued to trend upwards, reaching €5.65/sq.m/month in Greater Lisbon. Porto also recorded rental growth, with prime rents in Zone 10 rising to €5.90/sq.m/month.





04

INDUSTRIAL & LOGISTICS

2026 OUTLOOK

Take up declined in 2025 compared with the previous year, and current indicators suggest that 2026 is likely to follow a similar trend due to low availability of high quality assets. Nevertheless, demand continues to exceed supply, mainly driven by a clear shift in occupier preferences toward higher quality space. In addition, several new projects scheduled to enter the market in 2026 are expected to support take up levels.

The big box logistics segment is undergoing a significant structural transformation. Increasing pressure to improve efficiency, reduce operating costs and adapt to more volatile demand cycles is leading operators to rethink their logistics strategies. This is accelerating the shift toward large scale, highly automated warehouses, where automation has become a key driver of competitiveness. Occupiers are increasingly focused on facilities that support continuous 24/7 operations, deliver economies of scale, enable advanced automation and help meet the growing ESG requirements of their clients.

New occupiers in the market are adding further pressure to the already limited availability of best in class logistics assets, a trend that is expected to continue throughout 2026. At the same time, the sustained growth of e-commerce continues to reinforce the need for modern, efficient and well located logistics space.

Although there are several projects currently under construction, only a limited number are scheduled for delivery in 2026. In the Lisbon region, VGP's Sintra project is expected to be one of the most relevant additions to the market, with a strong focus on urban logistics.

Another major development, by M7 in Malveira, is also expected to complete this year and will reinforce the emergence of a new distribution hub within Greater Lisbon. Panattoni's Santarém project is likewise due for completion in 2026 and stands out for having secured both industrial and logistics occupiers during the construction phase.

In Porto, most large scale logistics and industrial developments currently underway are not expected to be delivered before 2027, with the exception of Logikor's new logistics facility in Canelas, Gaia.

Overall, 2026 is expected to be a positive year for the industrial and logistics sector. Continued supply shortages are likely to persist, with potential for further upward pressure on rents. The ongoing difficulty in securing suitable sites for new developments will remain a key challenge, encouraging developers, and ultimately occupiers, to consider locations further away from the core urban areas of Lisbon and Porto. These emerging locations are increasingly attracting strategic investment and occupier interest, reflecting the continued evolution of Portugal's industrial and logistics market.



05

HOSPITALITY



05

HOSPITALITY

TOURISM INDICATORS



25.9 million (+3%)
TOURISTS



66.7 million (+2%)
OVERNIGHT STAYS



€6,223 million (+8%)
TOTAL REVENUES



€81.4 (+5%)
RevPAR

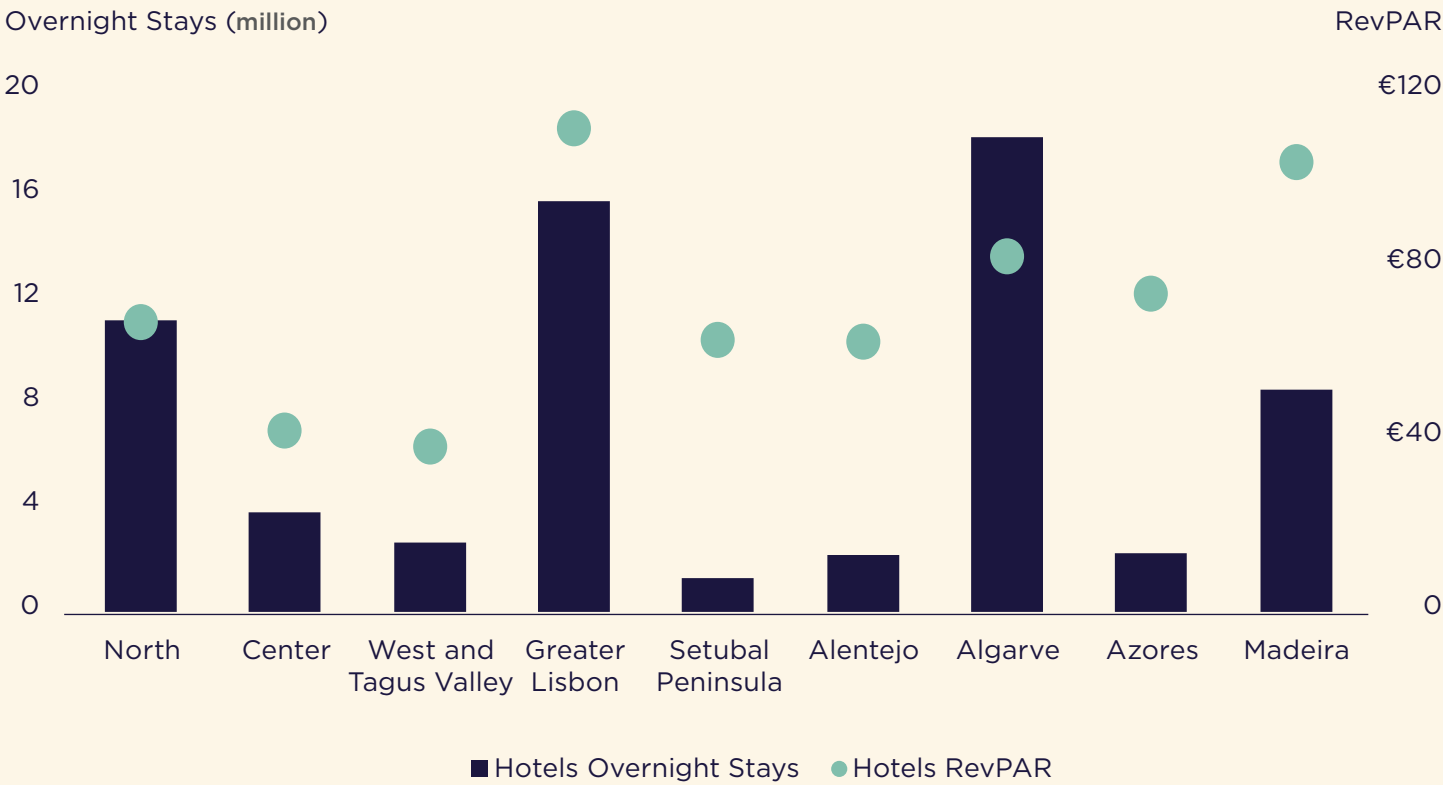


66.3% (+0.7%)
OCCUPANCY RATE (KEY)

Source: INE; Turismo de Portugal



OVERNIGHT STAYS AND REVPAR BY REGION



Source: INE



05

HOSPITALITY

NEW SUPPLY



+95
HOTELS OPENED IN 2025



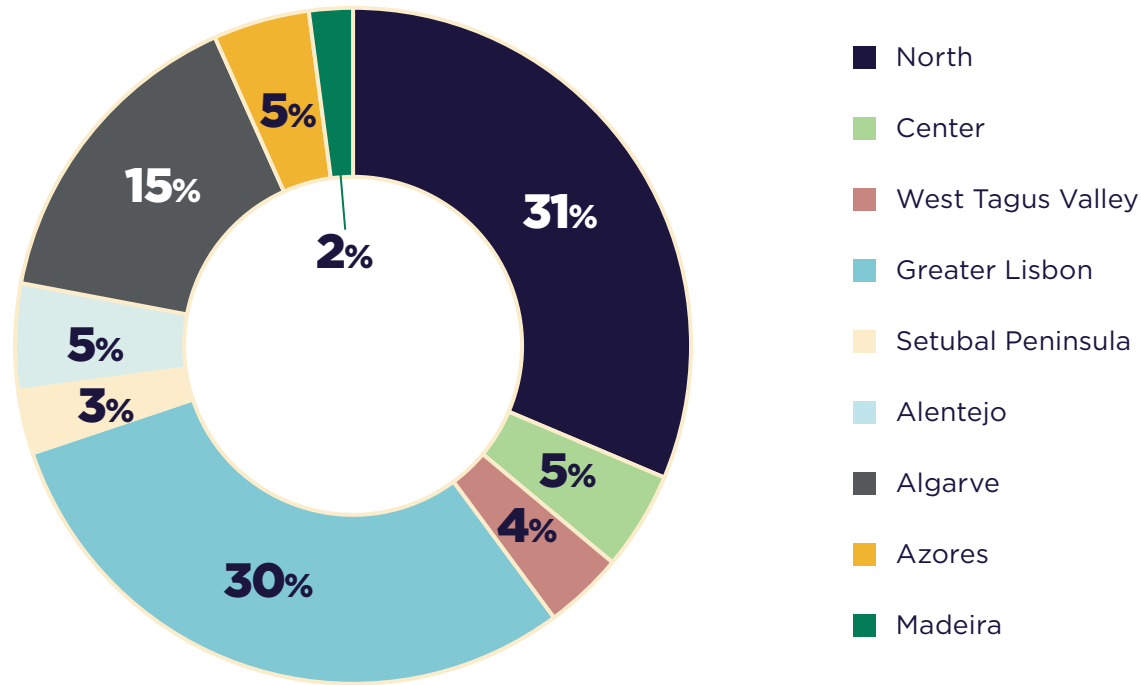
+5,220
NEW KEYS

MAIN OPENINGS

HOTEL	OPERATOR	CITY	CATEGORY	KEYS
The Social Hub	TSH Porto	Porto	4 stars	270
Moxy Alfragide Lisboa	Grupo Marriot	Oeiras	3 stars	220
ME Lisbon	Meliã Hotels & Resorts	Lisboa	5 stars	210
The Editory by the Sea Lagos	The Editory Collection Hotels	Lagos	3 stars	210
Holiday Inn Express & Suites Lisboa – Príncipe Real	IHG Hotels & Resorts	Porto	3 stars	200
Acta MOA Lisboa	Acta Hotels	Lisboa	4 stars	200
Origine Porto Gaia, a Tribute Portfolio Hotel	Grupo Marriot	Vila Nova de Gaia	5 stars	190
B&B Porto Centro Massarelos	B&B Hotels	Porto	3 stars	180
The Log Porto Hotel	Piamonte Hotels	Porto	4 stars	160
The Westin Salgados Beach Resort	Westin Hotels & Resorts	Albufeira	5 stars	160

Source: Cushman & Wakefield / Tourism of Portugal (RNET)

PIPELINE⁵ BY REGION



⁵Until 2028.
Source: Cushman & Wakefield

- Tourism activity remained strong in 2025, with guests and overnight stays up 3% and 2% YoY respectively; foreign visitors accounted for 69% of overnight stays, led by North America (+5%).
- Demand continued to diversify geographically across the country, with stronger growth in the North and Alentejo (each +6%), Setúbal Peninsula and Madeira (each +4%), contrasting with modest growth in Greater Lisbon (+2%) and stability in the Algarve.
- Operating performance improved across accommodation segments: hotel income rose 8% year on year, supported by a 5% increase in RevPAR to €81.4 and stable occupancy at 66.3%. Short term rentals also recorded strong revenue growth (+18%) to €637 million, with RevPAR rising by 0.5% to €43.90.
- Supply expansion continues to prioritise quality, with 95 hotels (5,220 keys) opening in 2025, predominantly in the 4 and 5 star segments, and a pipeline of 98 projects set to deliver 10,550 rooms by 2028, led by Lisbon, Porto and the Algarve.



05

HOSPITALITY

LISBON

TOURISM INDICATORS⁶

TOURISTS ARRIVALS



18.2 million (+3%)
AIRPORTS



705 thousand (-8%)
CRUISE TERMINALS



13.1 million (+2%)
OVERNIGHT STAYS



73.8% (+0.4%)
OCCUPANCY RATE



€117.3 (-0.6%)
RevPAR

Source: INE; APL

- Lisbon remained Portugal's leading tourist destination in 2025, with Humberto Delgado Airport handling over 18.2 million passengers (+3% YoY) and cruise traffic dropping slightly to 705 thousand passengers (-8%).
- Hotel performance was resilient, with 13.1 million overnight stays (+2% YoY), RevPAR reaching €117.3 and occupancy holding steady at 73.8%.
- Hotel supply continued to expand in 2025, with 32 new hotels opening (1,530 rooms), over half of which were in the 4 and 5 star segments. Looking ahead, a pipeline of 24 projects is expected to add 2,580 rooms by 2028, largely concentrated in the upper end categories.

⁶Airport arrivals and overnight stays values accumulated to November; Occupancy rate and RevPAR values accumulated to October. Data on overnight stays, occupancy rates and RevPAR refer to hotel establishments.



HOSPITALITY

PORTO

TOURISM INDICATORS⁷

TOURISTS ARRIVALS



8.5 million (+6%)
AIRPORTS



224 thousand (+18%)
CRUISE TERMINALS



5.2 million (+7%)
OVERNIGHT STAYS



68.3% (+0.6%)
OCCUPANCY RATE



€86.5 (-0.3%)
RevPAR

Source: INE; APL

- Tourism activity in Porto continued to strengthen in 2025, with airport passenger traffic up 6% and cruise passengers at Leixões rising 18% to around 224,000.
- Hotel performance improved, as overnight stays increased by 7% to 5.2 million, RevPAR reached €86.5 and occupancy remained stable at 68.3%.
- Hotel supply expanded with the opening of 15 new hotels (1,010 rooms), primarily in the 4 star segment. A further 15 projects are planned over the next three years, adding 1,210 rooms to the market.

⁷Airport arrivals and overnight stays values accumulated to November; Occupancy rate and RevPAR values accumulated to October. Data on overnight stays, occupancy rates and RevPAR refer to hotel establishments.





05 HOSPITALITY

2026 OUTLOOK

Building on Portugal's strong economic performance in 2025, supported in part by the positive momentum of the tourism sector, the outlook for 2026 remains clearly favorable. Tourism activity is expected to continue growing, both in terms of tourist arrivals and overnight stays. This growth is driven by the sustained strength of traditional European markets and, increasingly, by transatlantic markets, which have shown significant expansion in recent years, particularly the United States.

Another very positive signal for 2026 is the pipeline of new hotel developments. The 25 hotels currently under construction and scheduled to open this year reflect a broad national distribution and are predominantly positioned in the four and five-star segments. This trend highlights not only the rising quality of hospitality projects in Portugal but also the higher expectations and purchasing power of visitors choosing the country as a destination.

The resilience and robustness of the tourism activity are expected to remain key drivers of investment in the hotel sector. Strong operating fundamentals provide investors with confidence and liquidity, encouraging them to commit capital to the Portuguese market. At the same time, the continued internationalization of the hotel offering is increasing Portugal's visibility among global investors, leading to the emergence of new sources of international capital with a clear interest in the country.

Looking ahead, the anticipated return of institutional investors represents an additional positive factor for 2026. This is expected to be supported both by the availability of capital seeking more consolidated investment profiles and by the emergence of assets coming to market. Furthermore, the approaching maturity of investment trades from previous years should generate liquidity movements, helping to reinforce Portugal's position as a more liquid and mature investment market. Overall, these dynamics point to a constructive and optimistic outlook for 2026, underpinned by strong tourism fundamentals and growing investor confidence.



06

PBSA



06

PBSA



31,570 (+6%)
TOTAL SUPPLY
(NR OF BEDS)



6.9% Provision Rate⁸
BED/STUDENT RATIO
(NATIONAL)



5.7% Provision Rate
BED/STUDENT RATIO
(LISBON)



9.6% Provision Rate
BED/STUDENT RATIO
(PORTO)



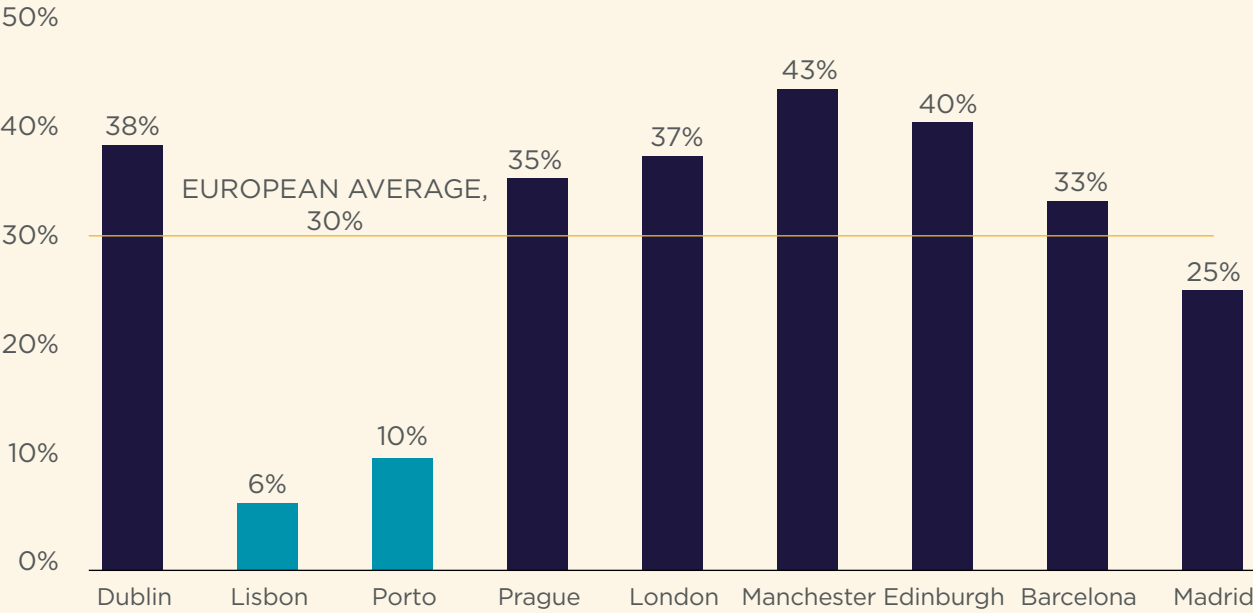
9.3 % Weighted average of the estimated average rental growth in private PBSA schemes
LISBON AND PORTO
(2025-2026)



41%
PRIVATE OPERATORS

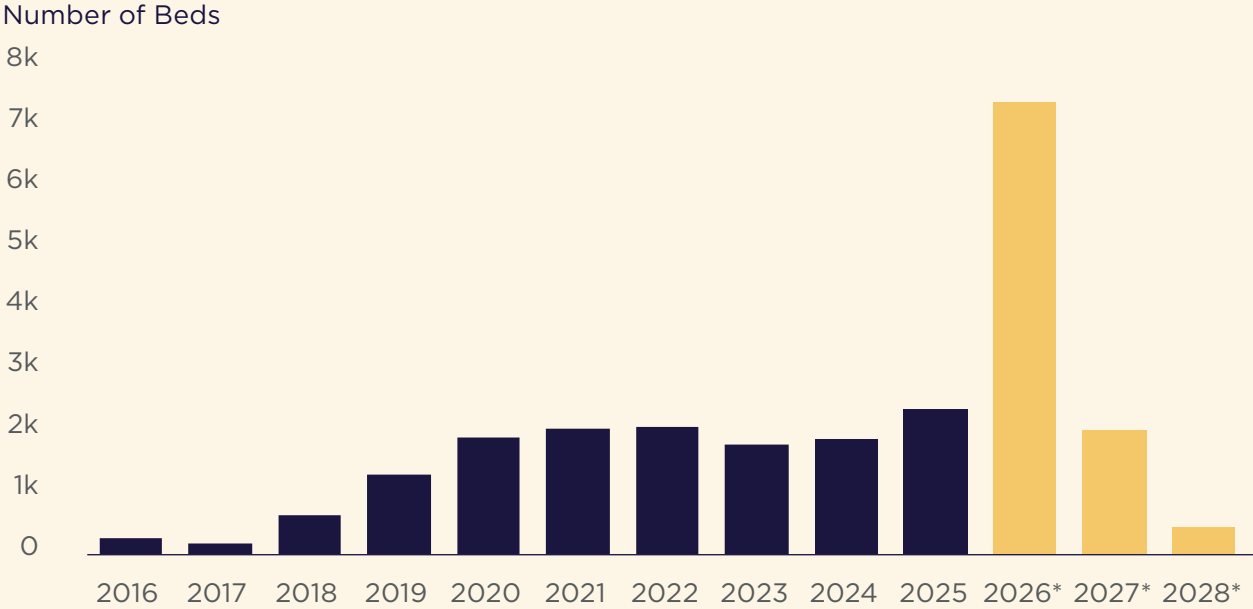


PROVISION RATE IN SELECTED EUROPEAN MARKETS 2025



Source: Cushman & Wakefield

NEW OPENINGS



Source: Cushman & Wakefield
*Pipeline

⁸Ratio between number of beds and total number of students enrolled in higher education



MAIN PRIVATE OPENINGS

PROJECT	OPERATOR	CITY	NR. BEDS
Micampus Lumiar	Micampus	Lisbon	410
The Social Hub - Porto Bonjardim	The Social Hub	Porto	400
The Mile	Milestone	Lisbon	330
Micampus Alta de Lisboa	Micampus	Lisbon	220
Panorama	2Live	Covilhã	30

Source: Cushman & Wakefield

MAIN PRIVATE PIPELINE⁹

PROJECT	OPERATOR	CITY	NR. BEDS
Mosteiro de Santa Maria	Alea Capital	Lisbon	780
Hines Asprela	Private	Porto	570
Xior Boavista	University Hub	Porto	500
The Social Hub - Lisbon Carcavelos	The Social Hub	Cascais	400
Quinta Caparica	Private Operator	Almada	400

Source: Cushman & Wakefield

⁹Next 3 years.



- The Purpose Built Student Accommodation (PBSA) segment continues to face a structural supply-demand imbalance.
- In 2025, five private developments added around 1,400 beds to the market, whilst the national beds to students ratio remained at 6.9%, well below the European Average of 30% with private operators stabilizing their share at 41%.
- Porto stands out, with a higher ratio of 9.6% and private providers accounting for 75% of supply.
- Rental growth in private PBSA schemes in Lisbon and Porto remains close to 10% year on year, clearly reflecting the ongoing supply constraints in these markets.
- Strong demand continues to attract private operators and public investment in student accommodation.
- Around 9,900 beds are forecast for delivery over the next three years, despite some project delays, with key private developments including Mosteiro de Santa Maria in Lisbon (780 beds)



06

PBSA

2026 OUTLOOK

The outlook for the PBSA sector in Portugal in 2026 remains positive, supported by strong demand and growing interest from international investors. Several large, institutional operators are actively developing pipeline in the market, showing increasing confidence in Portugal as a PBSA destination.

Although there is pipeline, new supply is expected to remain limited. PBSA provision in Lisbon and Porto is still well below European levels, and only a small number of private projects are likely to open in 2026. As a result, the market will continue to face a clear shortage of student accommodation, which has already driven strong rent growth in recent years (persistently equal or above 10% since 2022).

The wider housing shortage, especially in Lisbon, further supports the PBSA investment case. Pressure in the residential market has reduced housing options for students, increasing demand for professionally managed PBSA. Whilst affordability is a consideration, the lack of new housing supply means rental pressure is likely to continue, supporting income growth.

Demand fundamentals remain strong. Portugal is attracting more international students, supported by university expansions (such as the Nova Medical School, the Nova Law School and the Universidade Europeia's new Oriente Green Campus), international exchange programs and new academic developments. International student numbers have grown faster than total enrolments since 2019, and this trend is expected to continue into 2026.

Overall, the PBSA sector in Portugal entered 2026 with solid fundamentals: limited supply, strong and growing demand, and increasing institutional interest. These factors create an attractive environment for continued market development and for investors seeking stable income and long-term growth.



07

SENIOR HOUSING



07 SENIOR HOUSING¹⁰



107,596 (+1%)
TOTAL SUPPLY
(NR. OF BEDS)



93% (=)
OCCUPANCY RATE



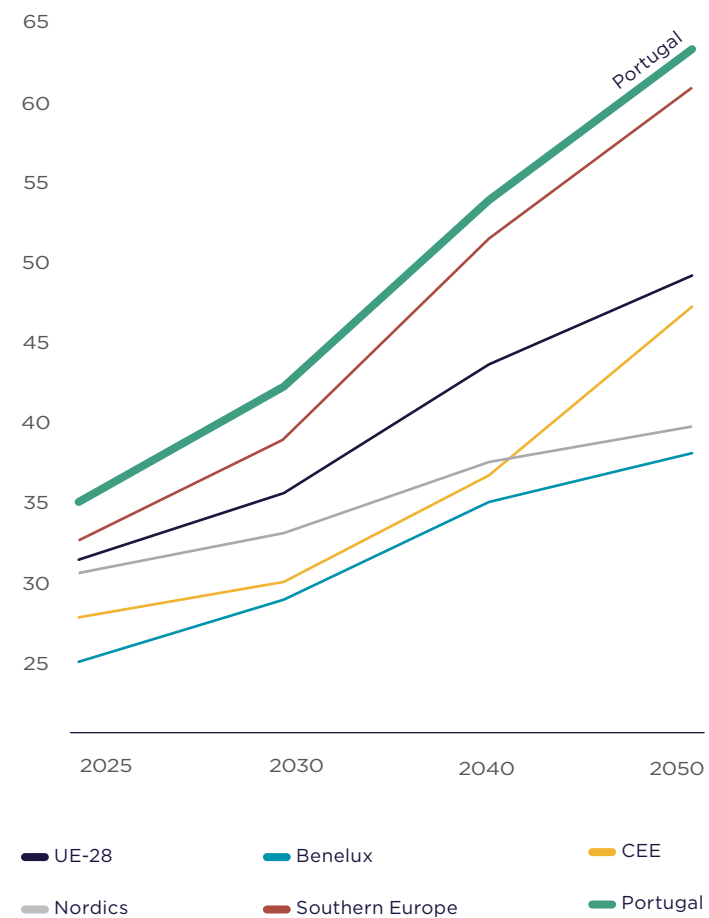
14% (=)
EQUIPMENT RATE¹¹



25%
PRIVATE OPERATORS

- The senior living segment continues to expand, reaching 107,596 beds, though new supply remains insufficient to meet demographic needs, keeping the equipment rate at 14%.
- Private operators remain active amid high occupancy and limited quality stock, with emeis opening two new residences in Coimbra and Sintra (234 beds) in 2025. A further 360 beds are expected over the next three years, mainly in Cascais, Famalicao and Porto.

DEPENDENCY RATIO - EUROPE¹²



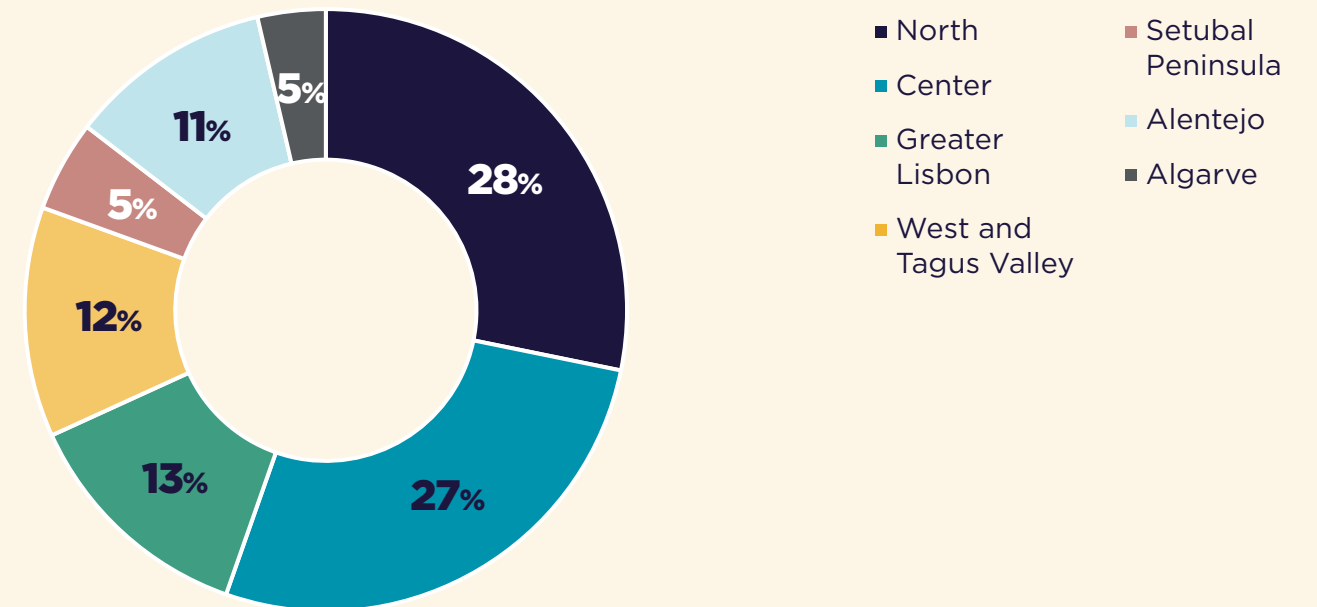
Source: Eurostat

¹⁰Source: GEP, INE and ACSS

¹¹Ratio between number of beds and population over 80 years of age; estimated population for 2024 (Source: INE).

¹²Number of elderly individuals (aged 65 years and above) compared to the working age population (15 - 64 years) (Source: Eurostat).

SUPPLY



Source: Office for Strategy and Planning - Social Charter (excludes Madeira and Azores)

MAIN PRIVATE OPERATORS' OPENINGS

PROJECT	OPERATOR	CITY	NR. BEDS
Rio Mondego Assisted Living Facility	emeis	Coimbra	120
Jardins de Santo António Assisted Living Facility	emeis	Sintra	110

Source: Cushman & Wakefield

MAIN PRIVATE OPERATORS' PIPELINE¹³

PROJECT	OPERATOR	CITY	NR. BEDS
Famalicao Central Park	STGT	Famalicao	120
Lifento Cascais	Neurostate Home	Cascais	120
Residência Porto Bonfim	LA Saúde	Porto	120

Source: Cushman & Wakefield

¹³Next 3 years.



07

SENIOR HOUSING

2026 OUTLOOK

The outlook for senior living real estate in Portugal in 2026 is positive and supported by strong structural demand. Whilst the current equipment rate is not particularly low, the quality of existing supply remains a major challenge. Only a small share of senior living beds is provided by the private sector, with most supply delivered by social and non-profit institutions. These facilities are largely outdated and have seen limited investment over many years, resulting in a clear shortage of modern, high-quality senior care accommodation.

Portugal's demographic profile further reinforces the need for new development. The country ranks among the world's most aged populations, and the dependency rate is expected to increase well above the European average in the coming decades. This trend highlights a growing and long-term need for modern senior living and continuous care facilities that can respond to more complex healthcare and support requirements.

Interest from international operators is increasing, signalling a gradual shift towards a more institutional market. Investors are showing greater appetite for social infrastructure as a way to diversify portfolios and gain exposure to assets backed by long-term demographic trends. The availability of European funds following the pandemic has also supported the launch of new projects, some of which are expected to enter the market over the next three years.

New developments are increasingly being planned at a larger scale, combining traditional care homes with continuous care facilities. This model allows for operational efficiencies, shared staffing and improved service provision, supporting the sustainable growth of the sector.

Overall, the senior living market in Portugal enters 2026 with clear demand drivers, limited high-quality supply and growing institutional interest, creating a strong foundation for future investment and development.



08

INVESTMENT



08 INVESTMENT

COMMERCIAL
REAL ESTATE
INVESTMENT



€2,850 million (+17%)
TOTAL VOLUME



62%
FOREIGN INVESTMENT

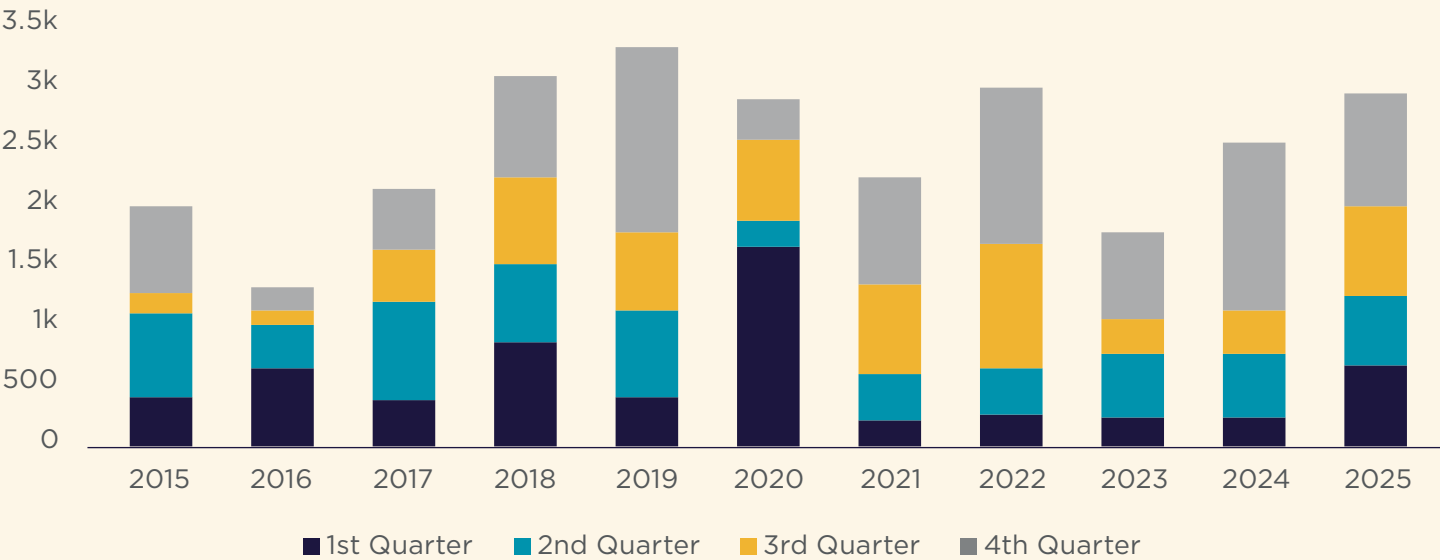


30%
RETAIL



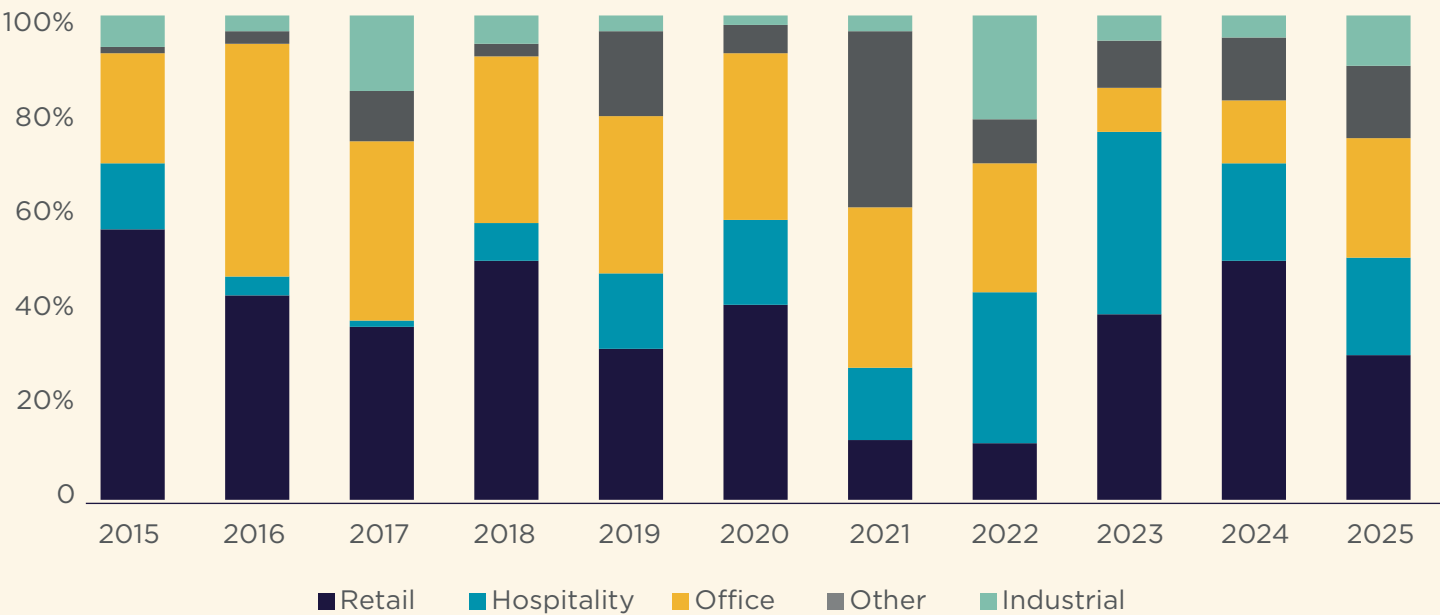
INVESTMENT BY QUARTER

Million €



Source: Cushman & Wakefield

INVESTMENT BY SECTOR



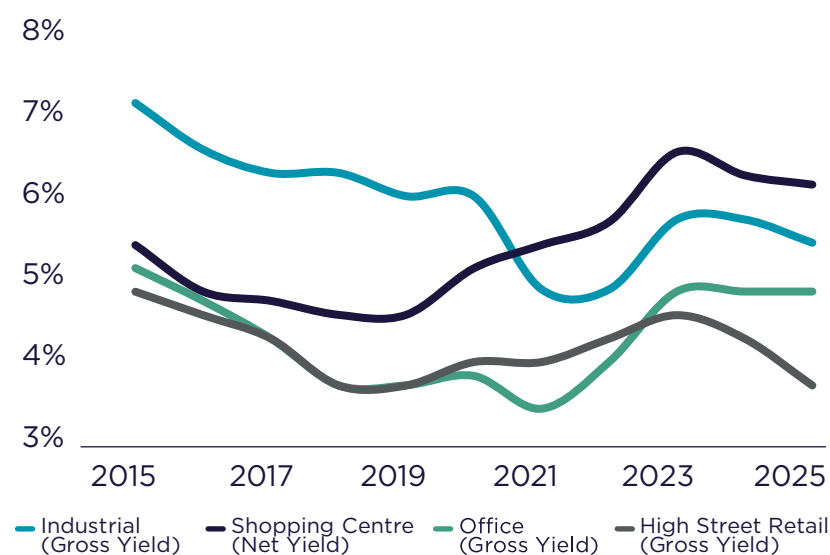
Source: Cushman & Wakefield

MAIN INVESTMENT DEALS

SECTOR	ASSET	CITY	AREA (SQ.M)	VENDOR	PURCHASER	VALUE (M€)	VALUE (€/SQ.M)	YIELD (%)
Retail	NorteShopping (50%)	Matosinhos		Nuveen	Sierra Prime	€300-350 M		
Alternatives	Livensa Portfolio	Several Locations	2,000 beds	Brookfield Asset Management	Nido Living	€300 M	€150,000	
Hospitality	Hotel Miragem Cascais	Cascais	200 keys	José Cristovao Group	Ibervalles ARD Investment & Development	€125 M	€625,000	
Office	Lumnia Office Building	Lisbon	27,600	Avenue	Family Office	€115-125 M	€4,350	
Office	Torres do Colombo – Torre Oriente	Lisbon	28,440	Union Investment	Sonae Sierra / Bankinter Investment	€80-90 M	€2,990	
Office	Fidelidade Calhariz	Lisbon	34,910	FS Capital (Cerberus)	Savills IM / Arab Bank	€80-85 M	€2,360	
Retail	Nosso Shopping	Vila Real	22,720	Trajano (Socimi DWS)	Axis RE (L Catterton)	€79 M	€3,480	
Hospitality	Anantara Vilamoura Resort	Loulé	280 keys	Minor Hotels	Arrow	€70-80 M	€267,860	
Office	Siemens - Alfragide	Lisbon	33,000	Siemens	Square Asset Management	€65-75 M	€2,120	
Office	Rua Ramalho Ortigão, 51 –Former Santander HQ	Lisbon	10,500	Incus	BPI Asset Management	€60-65 M	€5,950	
Retail	Forum Madeira	Funchal	21,470	DWS	Castellana Properties	€63 M	€2,910	8.5-9.0%

Source: Cushman & Wakefield

PRIME YIELDS



Source: Cushman & Wakefield

- Commercial real estate investment reached €2,850 million in 2025 (+17% YoY), the best of the last 3 years.
- The five largest deals accounted for circa 33% of total volume, with over 100 transactions and an average deal size of €29 million.
- Retail (30%) led investment, followed very closely by Offices (25%) and Hospitality (20%).
- International investors provided 62% of capital, 88% of which coming from European sources.
- Key investment transactions in 2025 spanned multiple sectors, led by the Norteshopping shopping centre deal (€300–350m implied value), the sale of the Livensa PBSA portfolio (c. €300m), the sale of Hotel Miragem Cascais (€125m), and the sale of Lumnia office building (€115–125m), underscoring the breadth of investor activity across retail, living, hospitality and offices.
- Yields compressed across all sectors except offices. High street retail and industrial assets recorded compression of 50 bps and 25 bps, respectively, whilst shopping centre yields tightened by 10 bps.



08 INVESTMENT

2026 OUTLOOK

The Portuguese real estate market investment remains liquid, with well capitalised funds and strong investor confidence. Real estate continues to be seen as a safe way to preserve capital, with positive value growth prospects over the medium and long term.

More favourable financing conditions in 2025 helped strengthen market confidence. Banks remain willing to finance real estate investments, and these supportive conditions are expected to continue driving investment activity in 2026.

Domestic investors are more active, although large deals are still mainly led by international capital. In offices, family offices and national funds have taken advantage of lower international competition to acquire prime assets. In contrast, international investors continue to dominate shopping centre and hospitality transactions.

In 2026, the market is expected to follow the positive path set in 2025. High liquidity, strong confidence, and a healthy occupier market across all sectors, together with rising prime rents, will continue to attract investors. If the positive market sentiment continues, yields may compress further following the trend seen in 2025.

Quality offices are expected to remain in high demand, with investment volumes close to 2025 levels. In retail, shopping centres will continue to lead investment, and 2026 is likely to be a strong year for retail parks. Logistics and hospitality should see higher activity, supported by several large deals currently underway.

The main challenge remains the price gap between buyers and sellers. Still, good opportunities exist due to the lack of quality stock and positive rental growth, supporting both asset upgrades and redevelopment projects.

Build to rent remains underdeveloped in Portugal despite strong activity elsewhere in Europe. A recently approved tax framework is expected to support future growth.

Overall, strong activity is also expected in residential and hospitality, especially in asset transformation strategies, potentially positioning 2026 as a year of solid activity across the Portuguese real estate investment market.



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Better never settles

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