REPORT 2025

COMMERCIAL REAL ESTATE MARKET

SERBIA

FORT VEGA

MAY 2026

INTRODUCTION

Maja Lavrič
Director

Our multidisciplinary team brings together deep knowledge in real estate, finance, law, construction, and engineering. With each member boasting over two decades of hands-on experience in these fields, we deliver integrated and balanced advisory services.

We develop alongside our clients, supporting them at every stage of complex acquisitions, disposals, leasing arrangements, valuations, and project due diligence.

Drawing on our role as a reliable strategic partner, we have compiled this market report to offer our expert analysis and deliver a concise, authoritative view of the latest market trends and dynamics.

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Economic overview

Market overview

During 2025, Serbia's commercial real estate sector demonstrated resilience against a backdrop of moderating economic growth. GDP expanded by 2.0% for the year, a deceleration from 2024's stronger 3.9% outturn, driven primarily by services and industry, while construction and agriculture recorded declines in activity. Inflation moderated steadily through the first part of the year before rising on the back of adverse weather conditions, ultimately stabilising at 2.7% year-on-year by December, following the introduction of margin caps. Despite this economic moderation, the structural fundamentals underpinning commercial real estate demand remained intact, with Belgrade continuing to capture the dominant share of investable activity across all segments.

Commercial real estate

Transaction activity across Serbia's commercial property segments held firm through 2025. The office market in Belgrade expanded by over 65,000 sq m of new supply, bringing total modern stock to 1,457,000 sq m, with prime vacancy tightening to around 2.3% for Class A space. The industrial and logistics segment delivered approximately 342,000 sq m of new stock nationally, though at a more measured pace than in prior years, with vacancy holding near 5% and demand concentrated on modern warehouse and distribution facilities. The retail market saw its strongest development year on record, with 11 new retail parks completed and 127,000 sq m of modern space added across Serbia. The hospitality sector sustained healthy performance, supported by continued growth in visitor numbers and accelerating preparations for EXPO 2027.

Future trends

Looking ahead to 2026, Serbia's commercial real estate market is projected to sustain cautious optimism. GDP growth is forecast to recover to approximately 3.5% in 2026, with a further acceleration expected in 2027 driven by EXPO 2027, a transformative event that is already catalysing investment in hospitality, office, and infrastructure across Belgrade. New supply across all segments will remain disciplined and ESG-oriented, with development concentrated on high-specification, energy-efficient projects. Infrastructure investment, including corridor upgrades and Belgrade's planned metro, is set to reshape spatial demand patterns over the medium term.

Logistics & Industrial

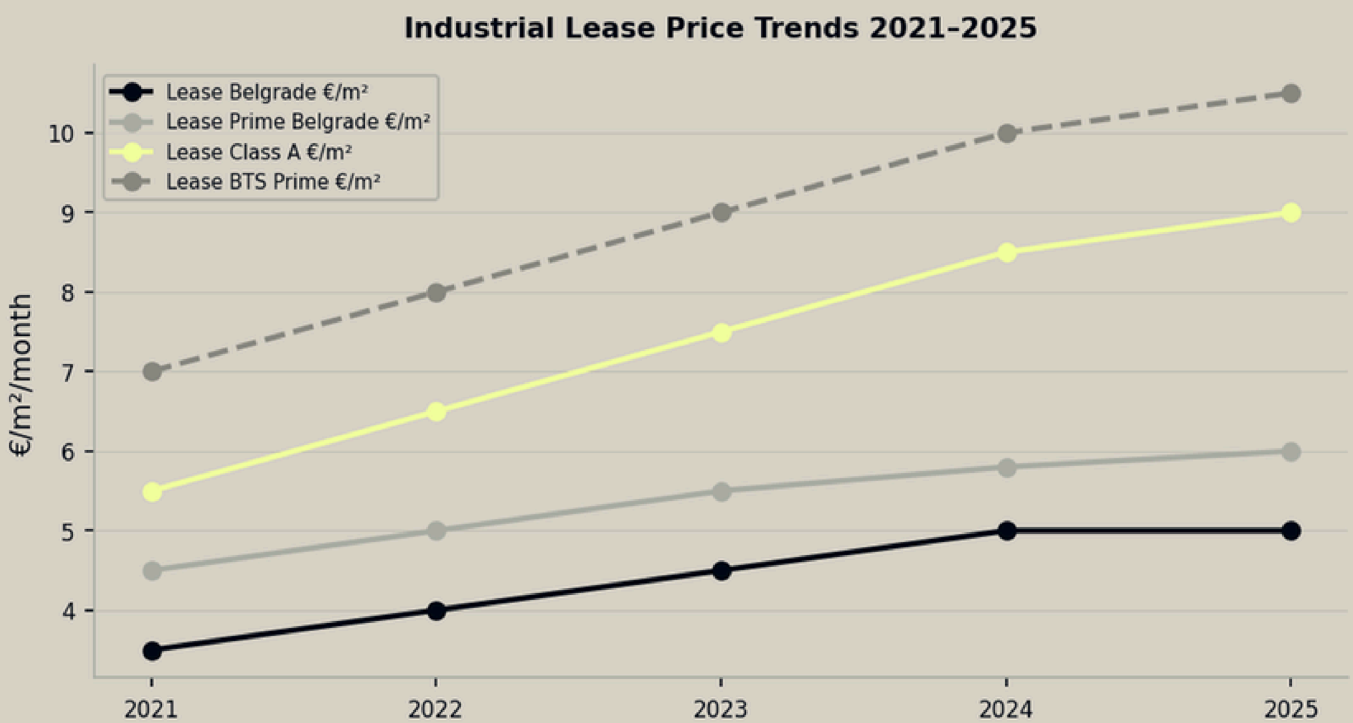
The industrial and logistics property segment is one of the most dynamic areas of Serbia's commercial real estate market, underpinned by the country's strategic position at the crossroads of European transport corridors. By the end of 2025, Serbia's total industrial stock reached 7.44 million square metres of gross building area, of which 42% represents warehouse and logistics space and 58% production facilities. Approximately 2.4 million square metres of total supply can be considered Class A stock. In Belgrade and its adjacent industrial zones of Pećinci and Stara Pazova, modern industrial stock reached 3.23 million square metres.

During 2025, Serbia's industrial supply expanded by approximately 342,000 square metres of newly delivered logistics and production spaces. Development activity slowed significantly compared to the prior year, when new supply approached 900,000 square metres, though a significant share of 2025 completions reflected the delivery of a major automotive manufacturing facility. ESG principles continue to shape new development decisions, with leading developers focused on certified, energy-efficient buildings.

7,4M m²
Total Market Stock

4 - 6 €/m²
Lease Belgrade

~10 €/m²
Lease class A BTS



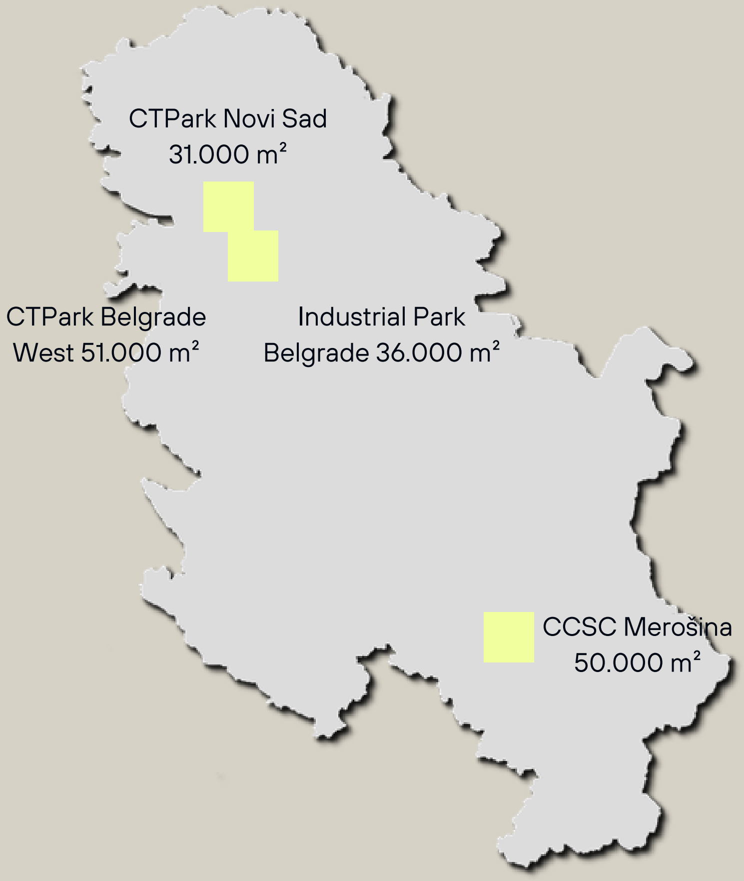
Source: CBS International / Cushman & Wakefield and in-house calculations

Trends from 2025 are expected to carry into 2026 and beyond. The development pipeline currently stands at approximately 176,000 square metres scheduled for completion by end of 2026, representing a more modest volume than in prior years. Developers continue to focus on pre-leased and build-to-suit projects, which keeps vacancy near 5%, a level that reflects strong absorption capacity and underpins continued investor appetite for quality logistics assets.

Prime yields for modern logistics facilities in Belgrade stabilised at 7.50% at the end of 2025, while prime warehouse rents held firm at €4.0–6.0 per square metre per month. Looking ahead, a large-scale speculative pipeline, including VGP Park One with over 382,000 sq m planned in the greater Belgrade area, which signals continued long-term confidence in the Serbian industrial market.

~ 5% Vacancy	**~ 176.000 m²** In pipeline for 2026	**7,5%** Prime yield

Projects in development



OFFICE

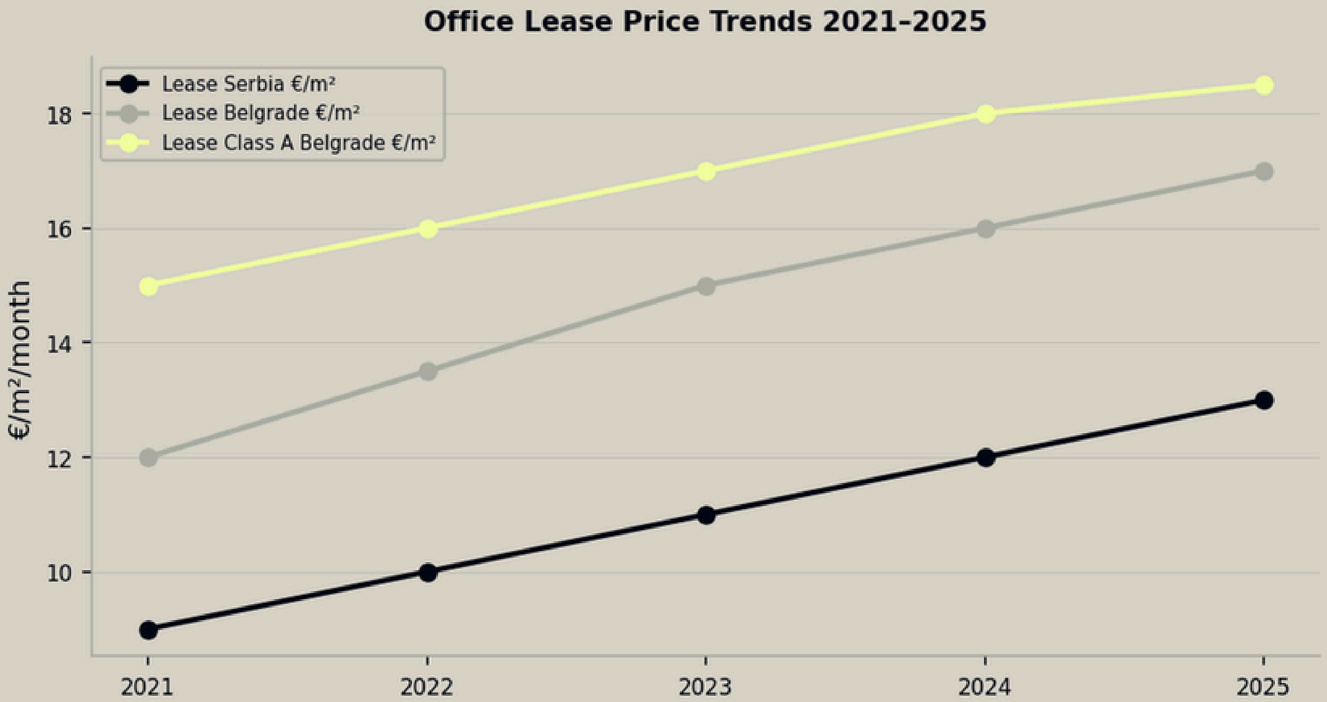
Belgrade's office market is one of the youngest and most dynamic in the region. In 2025, total modern speculative office stock in Belgrade reached 1,457,000 square metres of GLA, a 7% expansion year-on-year, with New Belgrade dominating the market at approximately 68% of total supply and the city centre contributing a further 21%. Class A space accounts for 68% of the total stock, with the overwhelming majority of Class A buildings holding green or wellness certifications.

The market is defined by persistent undersupply at the quality end. Despite the delivery of over 65,000 square metres of new space during 2025, prime Class A vacancy tightened to approximately 2.3% by year-end, while overall vacancy across Class A and B stood at 5.64%. IT and technology companies remain the dominant occupier group, complemented by financial services and consumer sector occupiers. Annual take-up reached 180,000 square metres, with 43% representing contract renewals and 40% new leases.

1,4M m²
Market Stock
(Belgrade)

16-19 €/m²
Lease
Belgrade

68%
Share of class
A stock



Source: CBS International / Cushman & Wakefield, CBRE and in-house calculations

Office development in 2026 and beyond will continue to focus on ESG-aligned, superior-grade buildings. The current pipeline stands at approximately 115,000 square metres under construction in Belgrade, with delivery weighted toward New Belgrade, where all active projects are concentrated. As new high-specification supply gradually enters the market, older secondary stock, particularly in non-prime locations, is likely to face softening in occupier interest and valuations. Top-tier assets, however, should retain strong appeal and low vacancy.

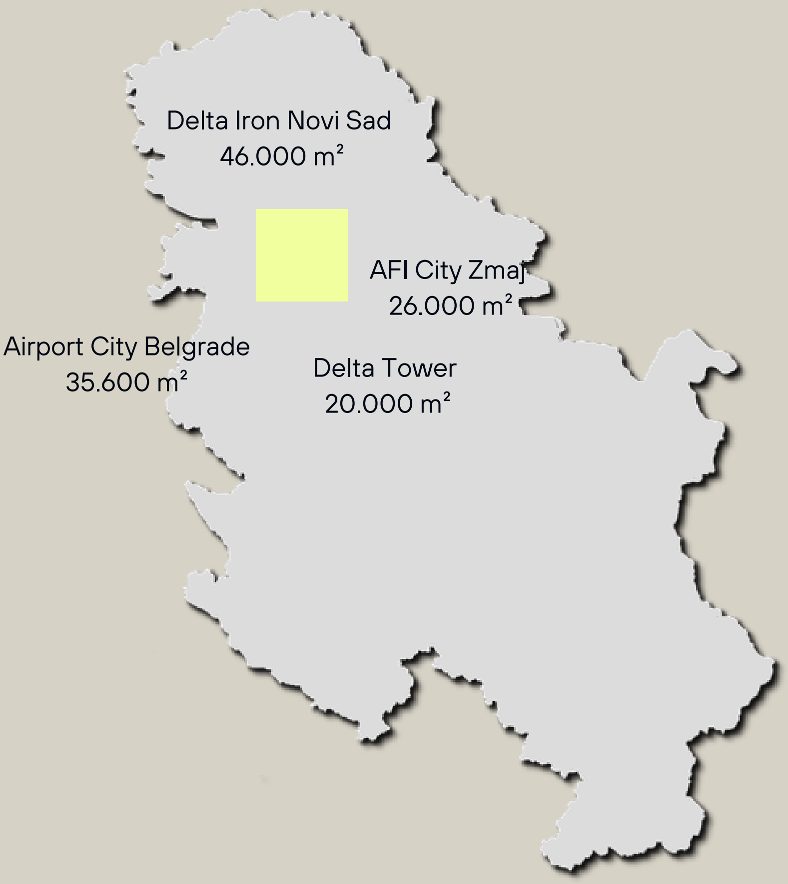
Occupier demand is expected to remain stable, supported by Belgrade's growing role as a regional hub for technology, finance, and shared services. Prime rents are projected to continue their upward trajectory, with the prime asking rate reaching approximately €18.5 per square metre per month. Prime office yields compressed to approximately 7.25% by early 2026, reflecting improved investor sentiment.

< 3%
Prime vacancy

~ 65.000 m²
Delivered in 2025

~ 7%
Yield Class A

Projects in development



Retail

Serbia's retail property market expanded at a record pace in 2025, led by accelerating development in the retail park segment. A total of 11 new retail parks were completed during the year, delivering 127,000 square metres of modern retail space, compared to 80,000 square metres in 2024. By year-end, total modern retail stock across Serbia reached 1,448,883 square metres, equivalent to 218 square metres per 1,000 inhabitants. Retail parks now account for 46% of total national stock, closely approaching parity with traditional western-style shopping centres.

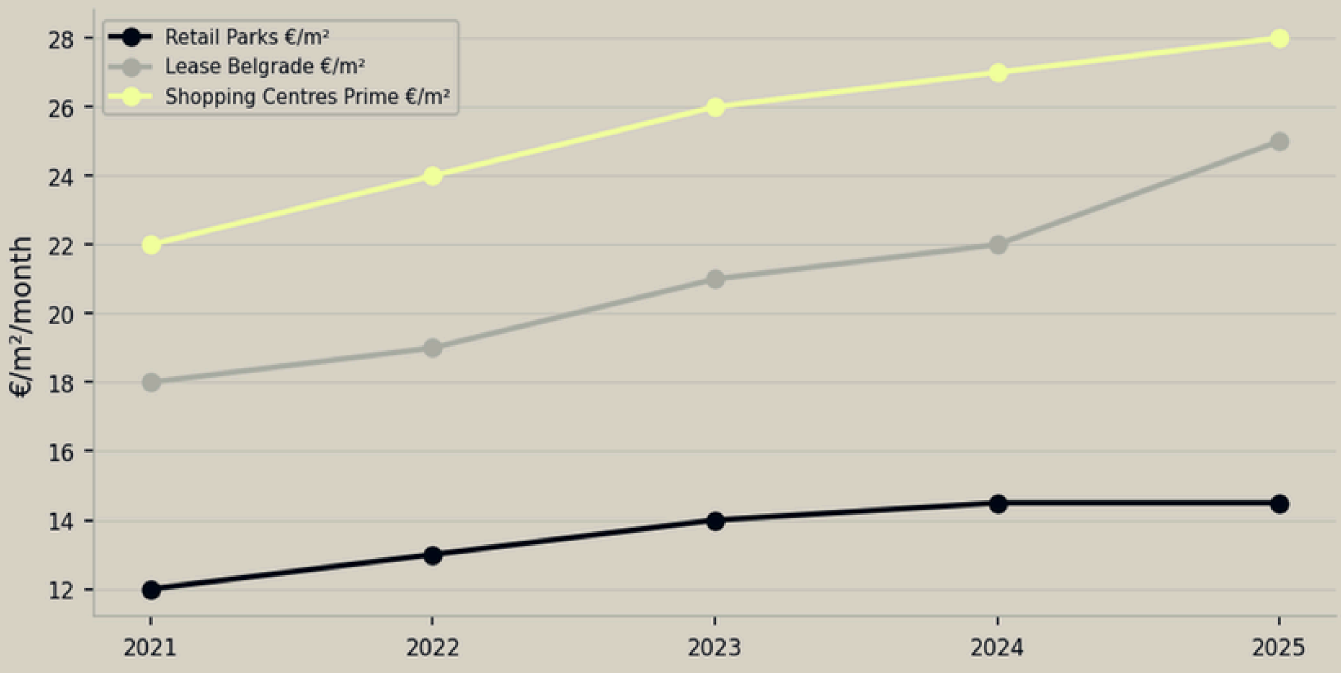
In Belgrade, with no new completions during the year, modern retail stock remained stable at 590,000 square metres. Rental levels in key shopping centres held firm, with prime shopping centre rents ranging between €22–28 per square metre per month, while prime retail units achieve up to €45–50 per square metre. Average rents in retail parks ranged between €9–13 per square metre per month.

8,4M m²
Market
Stock

9-13 €/m²
Lease
Retail Parks

25 - 29 €/m²
Lease
Shopping
Centre

Retail Lease Price Trends 2021-2025



Source: CBS International / Cushman & Wakefield, CBRE and in-house calculations

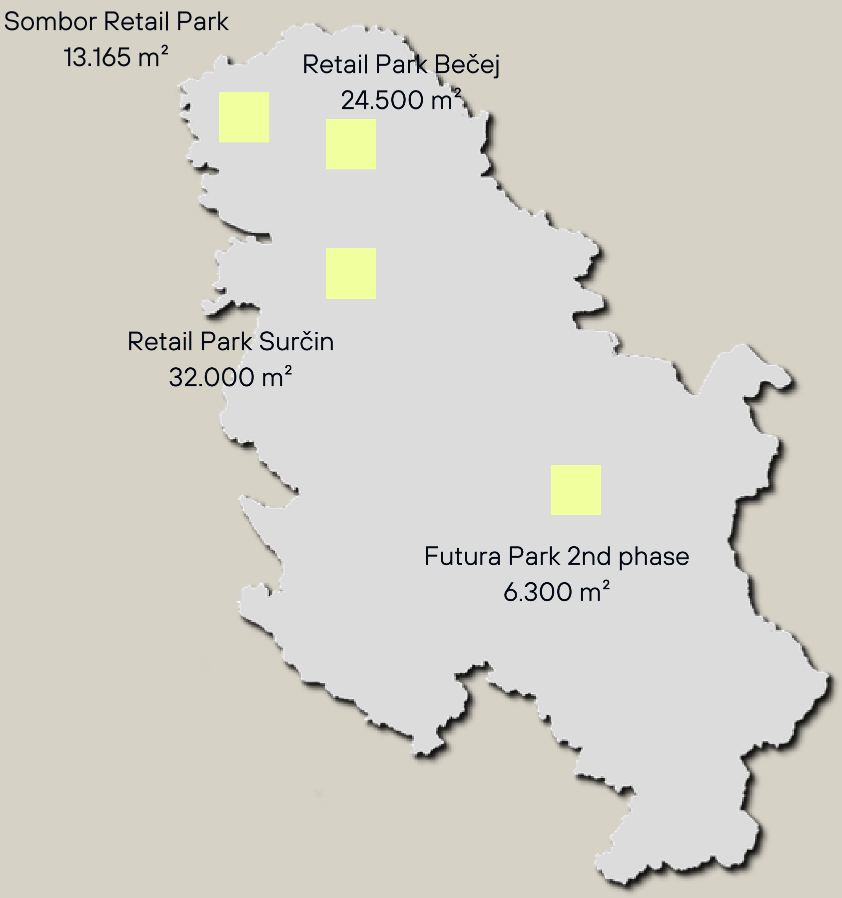
The retail sector is expected to maintain its emphasis on expanding the retail park format and repositioning existing shopping centres through upgrading, mixed-use integration, and enhanced experiential offerings, increasingly important in competing with e-commerce. Notable expansions planned include the enlargement of Beo Shopping Center and an 11,000 square metre extension of Delta City. Investment activity remained healthy in 2025, with total retail investment volume reaching €50 million. Prime shopping centre yields in Belgrade ranged between 8.00–8.50%, while retail park yields stood at 8.25–8.75%.

< 5%
Vacancy

127.000 m²
Delivered in 2025

8,0-8,5%
Prime shopping centre yield

Projects in development



Hospitality

Serbia recorded 12.3 million tourist overnight stays in 2025, a modest 3% decline year-on-year, reflecting shorter average trip durations and more cautious spending behaviour rather than any fundamental weakening of demand. Total arrivals reached 4.35 million, remaining close to the 2024 record. The dip follows an exceptional run of growth from 2020 to 2024, during which overnight stays more than doubled, underlining the underlying strength of Serbia's tourism sector.

Belgrade's hotel market encompasses approximately 134 properties, with 57% classified in the four-star category and just three properties operating at five-star level. Independent operators account for the majority of the capital's hotel stock, with only a quarter affiliated with recognised international chains. Belgrade continued to lead as the primary destination for foreign visitors, reinforcing the capital's role as the country's dominant hospitality hub. Conference and business tourism represent a significant and growing share of demand, with further upside potential as international connectivity improves.

12.3M
Overnight Stays

134
Hotels in Belgrade

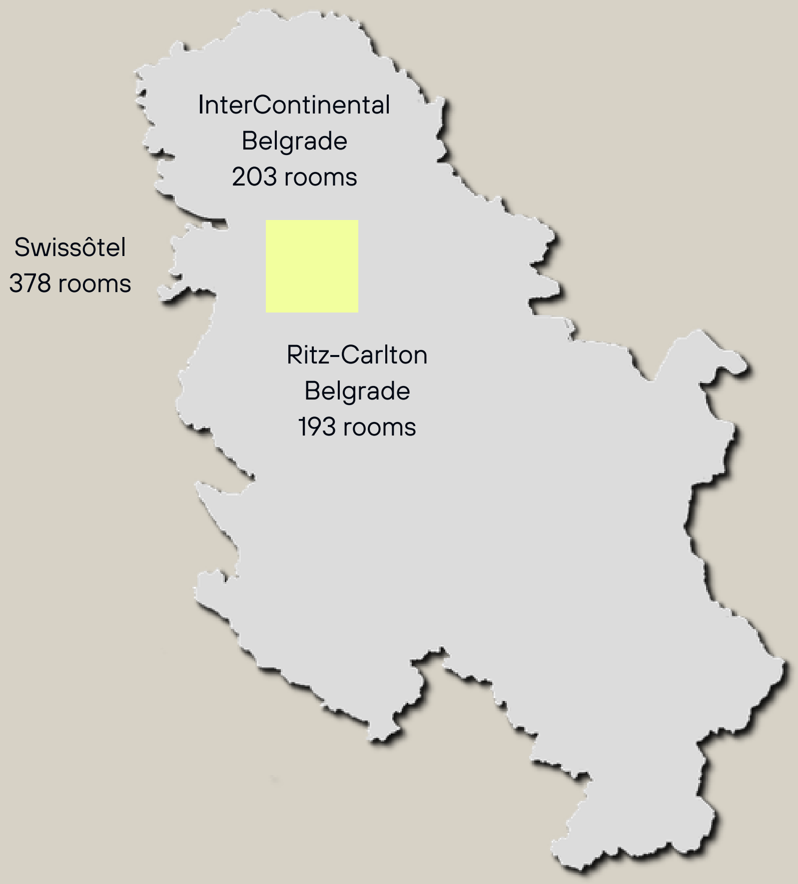
7,75%
Yield

Source: Statistical office of the republic of serbia and in-house calculations

New hotel projects are set to materially expand Belgrade's upper-end accommodation offer by 2026–2027, marking a transformational shift in the quality and depth of the city's hospitality market. InterContinental Belgrade, developed in partnership with Delta Holding as part of the Delta District mixed-use complex is scheduled to open by end of 2026, bringing 203 rooms including a sky pool, rooftop restaurant, and full conference infrastructure. On the Danube waterfront in Zemun, the Ritz-Carlton Belgrade is planned to open in 2027 as the centrepiece of a €500 million mixed-use redevelopment of the former Hotel Jugoslavija site, offering 193 rooms and suites. In the EXPO zone in Surčin, a Swissôtel property with 378 rooms and a large congress centre is under development, backed by close to €80 million in total investment.

Ongoing investment in modernising existing hotel stock and adopting sustainable operational standards will be essential for Serbia to sustain competitiveness on the wider European tourism and business travel stage, particularly in the years following EXPO 2027, when maintaining the uplift in international visitor demand will be the sector's defining challenge.

Projects in development



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About us

Leveraging our extensive expertise across Central European markets - including Slovenia, Italy, Austria, Croatia, and Serbia - our team is well positioned to support clients in the planning and delivery of real estate projects, as well as in the identification and acquisition of income-generating property assets.

- REAL ESTATE CONSULTING
- CAPITAL MARKETS
- ASSET MANAGEMENT
- LEGAL SUPPORT
- MARKET INTELLIGENCE

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