

JULY 2025

SOUTHERN EUROPE INVESTMENT

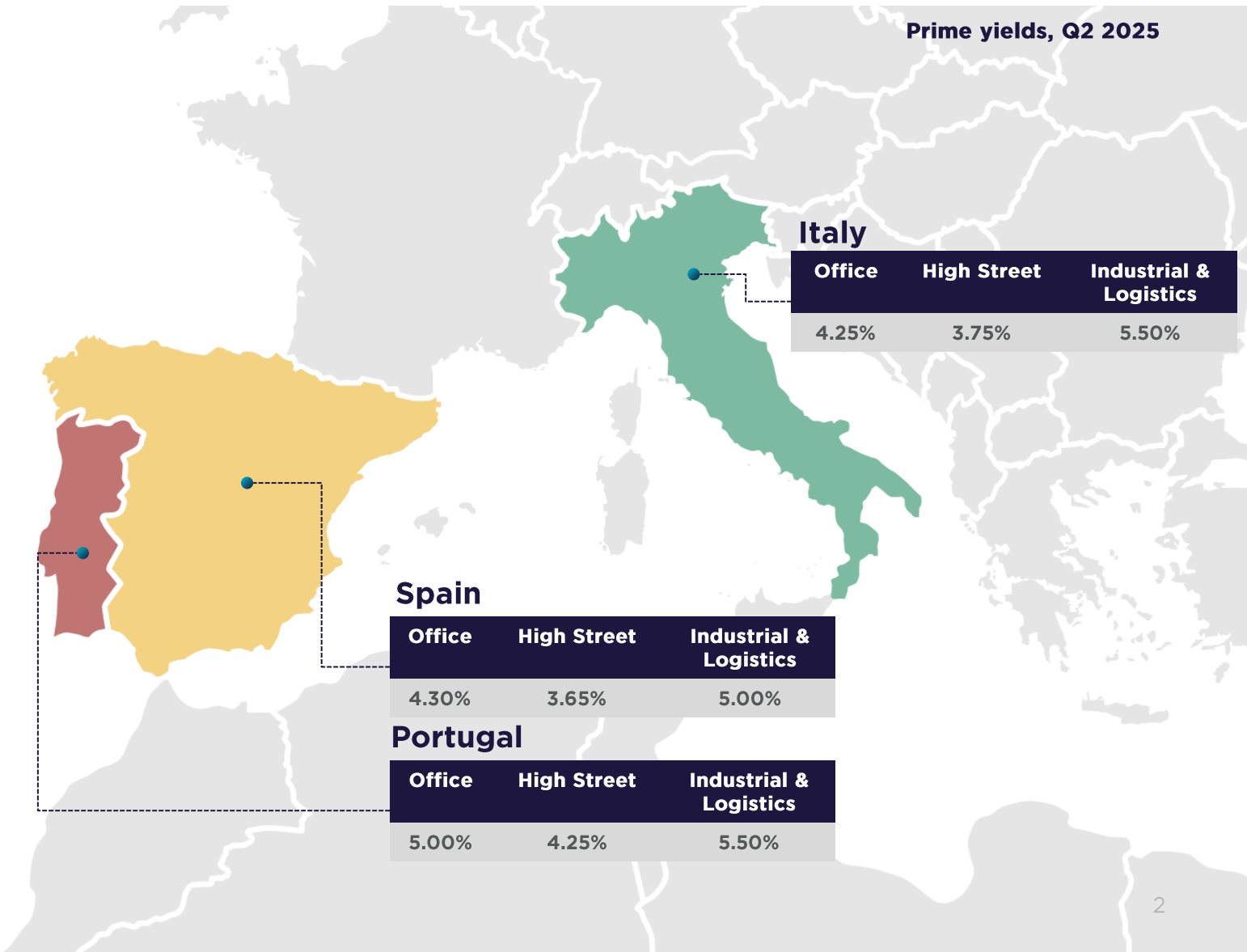
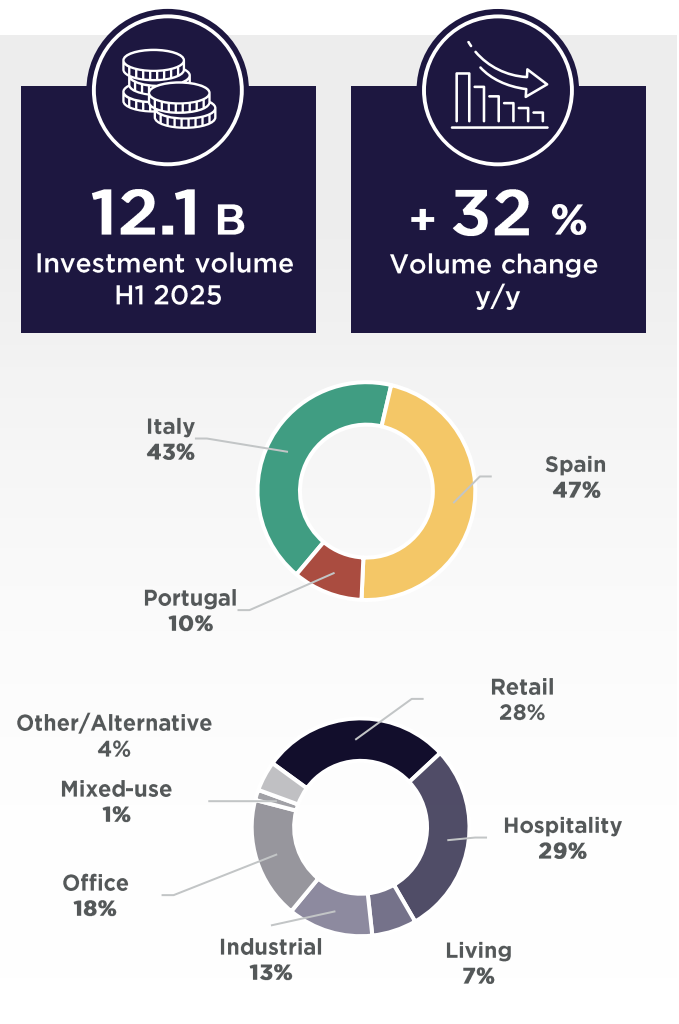
MARKET OVERVIEW

H1 2025

Better never settles


SOUTHERN EUROPE REGIONS

Investment Market H1 2025




ITALY

Investment Market H1 2025



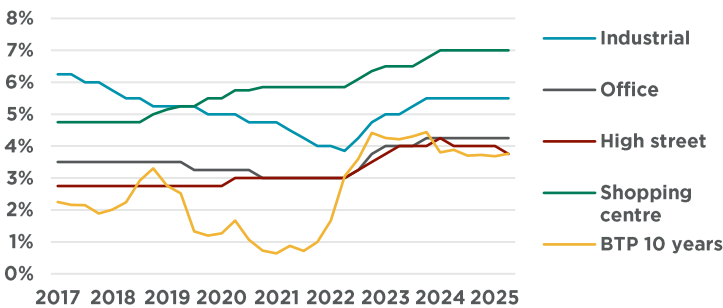
5.1 B
Investment volume
H1 2025



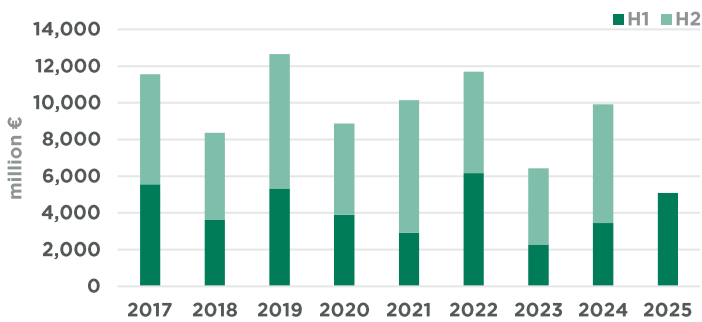
+46 %
Volume change
y/y

In H1 2025, Italy's real estate market recorded €5.1 Bn in investments, up 46% from H1 2024, despite macroeconomic and geopolitical uncertainty. Growth was driven by the Hospitality and Retail sectors. Hospitality extended its post-Covid rebound, supported by solid tourism demand in key urban and leisure destinations. Institutional interest is rising, fueled by the transformation potential of a still-fragmented sector largely held by private operators, with significant opportunities in the upscale hotel segment. Retail continued its recovery, attracting investors to well-positioned, resilient assets with strong fundamentals. Office and Logistics saw selective strategies focused on core+/value-add assets in strategic locations. Urban regeneration is gaining traction, with the Living sector growing, especially in Milan and Rome, where obsolete assets offer development potential.

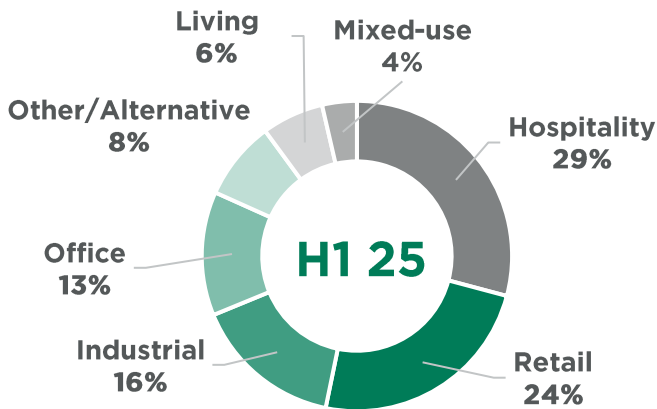
Prime Yields



Investment Volumes



Key Investment



Economic Forecast

Economic indicator	2023	2024	2025	2026
GDP growth	1.0%	0.5%	0.3%	0.1%
Inflation	5.9%	1.3%	1.7%	1.9%
Unemployment rate	7.7%	6.5%	6.0%	6.2%

Source: Moody's Italy, June 9th, 2025

SPAIN

Investment Market H1 2025



5,7 B
Investment volume
H1 2025



+16 %
Volume change
y/y

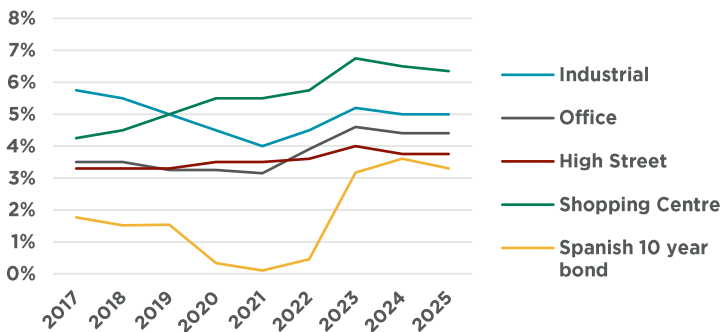
Investment in Spain closed the first half of 2025 with a total volume around 5,7€Bn. This figure is 16% above the same period last year.

Hospitality (1,6€Bn) and retail sectors (€Bn) are driving investment in Spain, with record numbers thanks to the strength of their fundamentals. The living sector continues at a good pace, while the logistics sector faces challenges. The office sector, with healthy fundamentals, is beginning to show signs of recovery, particularly in Madrid.

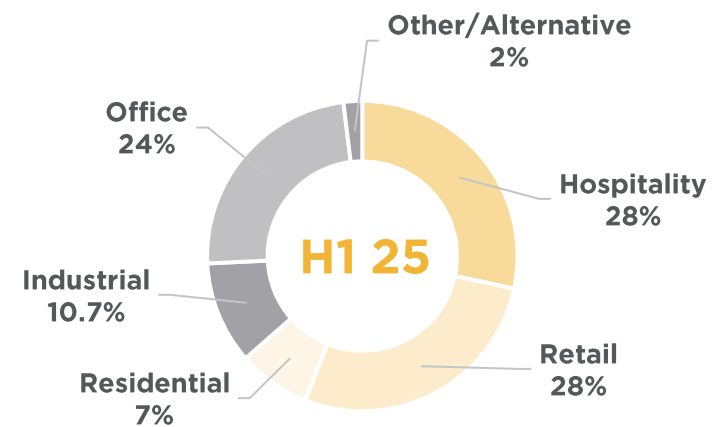
Specially in Madrid important capital movements — amounting to €795Mn (€475Mn in 2024 and €320Mn in H1 2025) — are being carried out towards changes of use of obsolete office buildings to be transformed into Living/Hotel.

Cushman & Wakefield

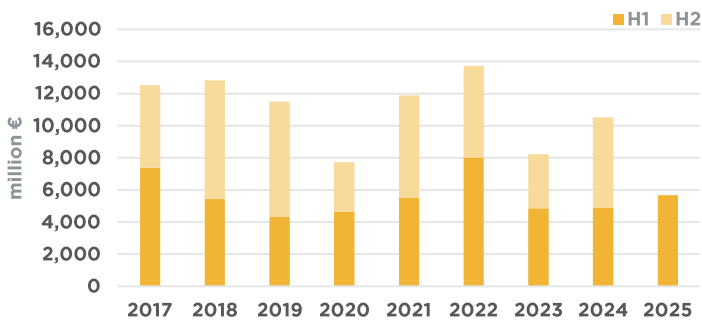
Prime Yields



Key Investment



Investment Volumes




Economic Forecast

Economic indicator	2023	2024	2025	2026
GDP growth	2.4%	3.1%	2.4%	1.9%
Inflation	3.6%	2.8%	2.3%	1.9%
Unemployment rate	12.1%	11.5%	10.7%	10.4%


Source: Moody's Analytics - July 11th, 2025

PORTUGAL

Investment Market H1 2025



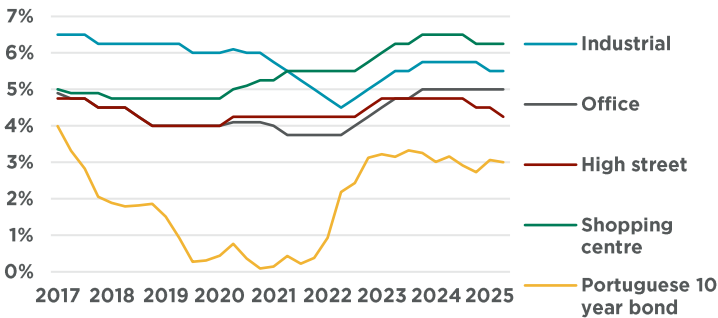
1.3 B
Investment volume
H1 2025



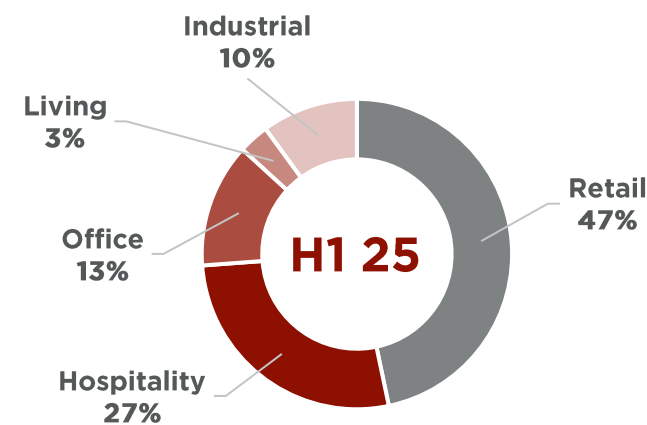
+70 %
Volume change
y/y

In the first half of 2025, Portugal's commercial real estate (CRE) market recorded a total investment volume of €1.257 Mn, representing a 70% year-on-year increase. Retail was the standout sector in H1 2025, attracting €587 Mn - more than tripling its volume from H1 2024 - with most of this amount concentrated in shopping centers. Hospitality maintained its appeal with €341 million, reflecting sustained interest in leisure and tourism assets. Office investment rose to €163 million, but still representing only 13% of the total volume. The Industrial & Logistics volume grew significantly compared to H1 2024, although supply constraints continue to limit activity. The Living segment, including Student Housing, registered a decline; however, it is expected to recover by the end of the year.

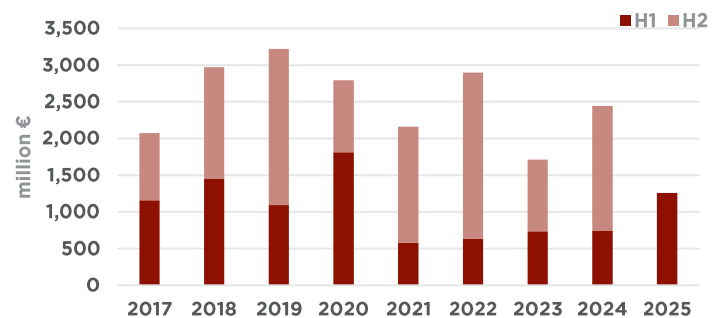
Prime Yields



Key Investment



Investment Volumes



Economic Forecast

Economic indicator	2023	2024	2025	2026
GDP growth	2.6%	1.9%	1.7%	2.6%
Inflation	4.4%	2.4%	2.2%	1.5%
Unemployment rate	6.5%	6.4%	6.3%	6.1%

Source: Moody's Analytics - July 7th, 2025

**CARLO VANINI**

MRICS International Partner
Head of Capital Markets Italy
carlo.vanini@cushwake.com

ANNA STRAZZA

Associate Director
Research & Insight Italy
anna.strazza@cushwake.com

RENO J. CARDIFF

International Partner
Head of Capital Markets Business Space Spain
Reno.cardiff@cushwake.com

RUPERT LEA

International Partner
Head of Capital Markets Retail Spain
Rupert.Lea@cushwake.com

NÚRIA CAMPS

Senior Analyst
Research & Insight Spain
nuria.camps@cushwake.com

DAVID LOPES

Partner
Head of Capital Markets Portugal
david.lopes@cushwake.com

MATILDE PINTO

Research Analyst
Research & Insight Portugal
matilde.pinto@cushwake.com

About Cushman & Wakefield

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2023, the firm reported revenue of \$9.5 billion across its core services of property, facilities and project management, leasing, capital markets, and valuation and other services. It also receives numerous industry and business accolades for its award-winning culture and commitment to Diversity, Equity and Inclusion (DEI), sustainability and more. For additional information, visit www.cushmanwakefield.com.

Better never settles