ENGEL&VÖLKERS

# Market Report 2026/2027 · Prague

RESIDENTIAL REAL ESTATE | RENTALS

# Prague | Czech Republic

| 1 405 551 | 20 503 EUR | 6 600 – 9 900 EUR/sqm | 15,5 - 20 EUR/sqm |
|---|---|---|---|
| Population Prague +0,80 % (Y-on-Y to 03/2026) | Prague purchasing power per capita (national index 128,7 – year 2025) | Price range H1/2026 (good location) | Rental price range H1/2026 (good location) |

## The Current Prague Real Estate Market

We continue to navigate an environment that alternates between challenging and turbulent. Nevertheless, the real estate market remains relatively stable. While financing conditions, inflation rates, construction costs, and the labor market are not yet ideal, they show consistency—providing a solid framework for both economic and personal decisions. As a result, 2026 brings predominantly positive momentum to the Prague real estate market, with each segment displaying its own distinct dynamics

**The residential market** continues to experience price growth despite a mild slowdown in the spring of 2026. Mortgage rates have risen toward 5%, and an increasing supply of apartments is giving buyers room to negotiate. Demand is shifting toward larger apartments (4-room units), while interest in 3-room units is currently at its lowest. Buyers thoroughly evaluate both the technical and legal condition of properties. The outlook remains positive, with a focus on high-quality properties in good locations.

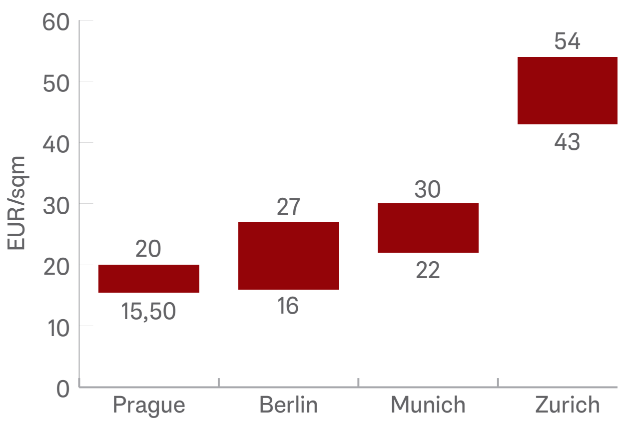
**The Prague rental housing market** is stabilizing in 2026. Despite strong demand, average prices are declining slightly. Tenants prefer smaller, energy-efficient apartments. Expensive owner-occupied housing and higher mortgage rates continue to drive interest in rentals, particularly among young people, foreigners, and professionals who frequently relocate for work. Premium new developments and efficient small-format apartments maintain their value firmly, while the rest of the market undergoes a price correction.

**The multi-tenant houses and commercial real estate segment** has stabilized in 2026 following record growth, with prices now tracking inflation. In June 2026, the Czech National Bank raised its repo rate to 3.75%. Premium properties and multi-tenant houses awaiting renovation maintain their value. The highest demand is for multi-tenant houses dominated by smaller units up to 50 sq.m and for development projects. For the next 12 months, a stable market with moderate growth is expected, provided no external risks intervene.

**The commercial rental market** in 2026 is becoming significantly polarized. Strong demand is directed toward modern Class A office space (meeting high standards and ESG criteria), hotels, healthcare facilities, and high street retail locations in the city center, including gastronomy businesses. Conversely, older offices face stagnation and price pressure. Thus, rental success is fundamentally determined by high property quality, energy efficiency, and a prime location.

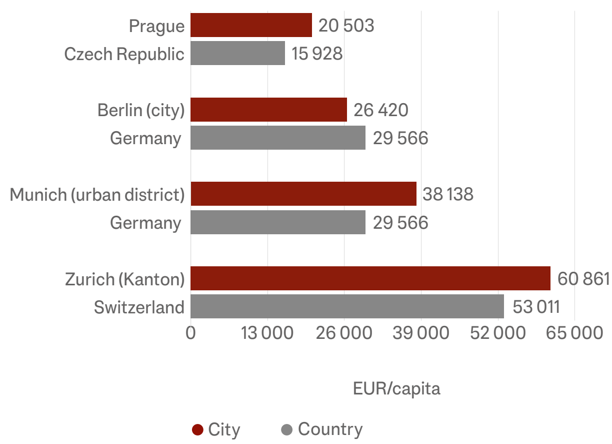
Future developments will, as always, depend on the overall stability of the global, European, and Czech economic and institutional environments. However, the long-term shortage of properties, Prague's growing population, and strong demand for stable investments secure market continuity. Compared to cities such as Munich, Vienna, or Zurich, Prague still offers significant potential for growth in real estate prices and purchasing power per capita. When making key real estate decisions, always consider your personal situation and rely on thorough property and market analysis. Our specialist teams in **Prague, Pilsen, and Brno** are here to support you.

**Price range of flats in good location H1/2026 (EUR/sqm)***



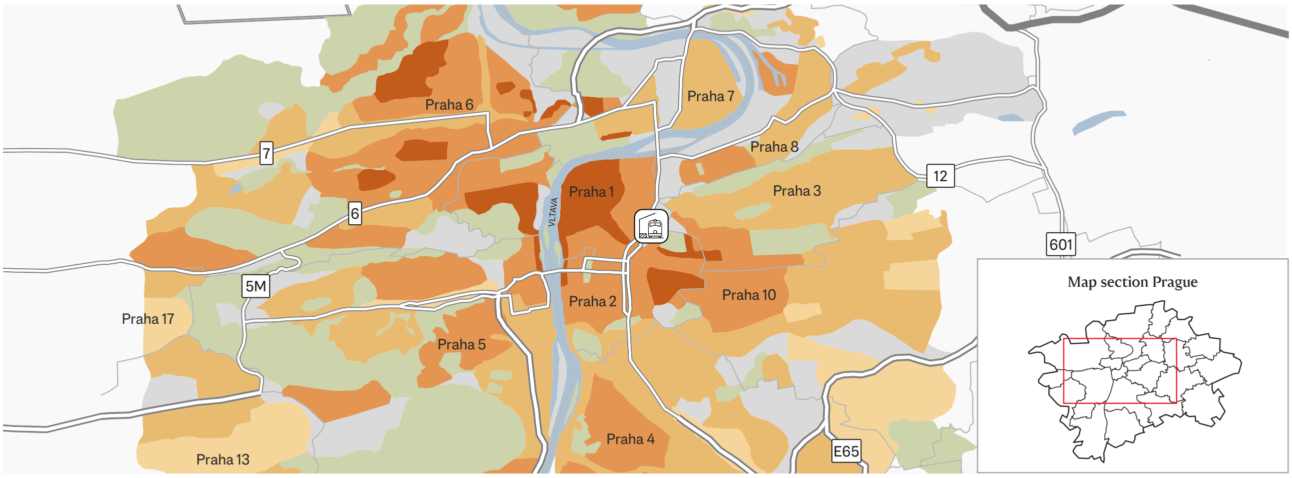

*Good location

**Purchasing power in 2025 (EUR/capacita):**




Source: Engel & Völkers, ČSÚ, ČNB, NIQ Geomarketing by GfK, VALUE Marktdatenbank, Kurzy.cz, PRF, Google (Gemini) accessed June-August 2026

## Prague - Average Annual Gross Rental Yields of Residental Properties by Location




Prime location 1,9 % - 3,2 % | Good location 2,2 % - 3,4 % | Average location 3,5 % - 4,1 % | Basic location 3,8 % - 4,2 % | Commercial area | Waters | Green area

## Prices and rents of residential real estate in Prague

| | | 2024 | 2025 | H1/2026 | Trend |
|---|---|---|---|---|---|
| Rents in EUR/sqm | Prime location | 17 – 34 | 18 – 35 | 18,5 – 28 | → |
| | Good location | 14 – 26 | 15 – 27 | 15,5 – 20 | → |
| | Average location | 13 – 21 | 14 – 22 | 15 – 19 | → |
| | Basic location | 11 – 16 | 12 – 17 | 13 – 18 | → |
| Prices in EUR/sqm | Prime location | 7 800 – 18 000 | 8 400 – 18 000 | 9 450 – 18 500 | → |
| | Good location | 5 000 – 9 000 | 6 000 – 9 000 | 6 600 – 9 900 | → |
| | Average location | 4 000 – 6 000 | 5 000 – 6 500 | 5 350 – 7 000 | → |
| | Basic location | 3 800 – 5 000 | 4 000 – 5 500 | 4 500 – 5 750 | → |


David Staněk Mgr. Mikuláš Hrubý

Heads of Residential Rentals Engel & Völkers Prague

The Prague residential rental market in 2026 is entering a stabilization phase, seamlessly building upon the developments observed in the second half of 2025. However, current market conditions reveal a notable trend: while overall demand remains robust, average prices per square meter are experiencing a slight downward correction. This modest price adjustment reflects shifting tenant behavior, driven by elevated living costs toward a strong focus on space and energy efficiency. Households and individuals increasingly favor smaller, intelligently designed layouts. Consequently, this creates pressure on larger properties to adjust pricing in order to maintain competitiveness. Furthermore, the definitive stabilization of energy costs has brought greater predictability to decision-making; tenants now have a clear view of their actual expenditures, effectively eliminating earlier risk premiums from the market.

The broader economic environment and trends in the owner-occupied housing sector also play a significant role. Given the gradual increase in interest rates, buyer interest in homeownership is slowing, leading an increasing number of people to opt for rental housing instead. Combined with persistently high property prices in Prague and tight financing conditions, the flexibility of renting emerges as a more economically rational choice. This trend is most pronounced among young professionals starting their careers, expats, and mobile corporate talent, whose market impact has strengthened considerably alongside the economic recovery.

Overall, Prague's rental housing market in 2026 is undergoing segmentation. While premium new developments and compact, space-efficient apartments firmly retain their value, the rest of the market is undergoing a natural rebalancing. For investors, prioritizing floor plan optimization and property quality will remain essential to securing stable and safe yields.

Source: Engel & Völkers**

ENGEL&VÖLKERS

ENGEL&VÖLKERS
COMMERCIAL

Market Report 2026/2027 · Prague
RESIDENTIAL & COMMERCIAL INVESTMENT

ENGEL&VÖLKERS
COMMERCIAL

Market Report 2026/2027 · Prague
COMMERCIAL SPACE | RENTALS

ENGEL&VÖLKERS
COMMERCIAL

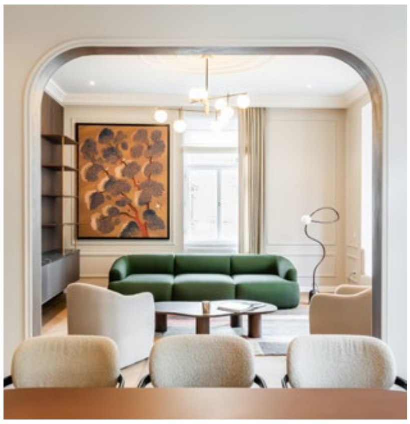
Market Report 2026/2027 · Pilsen

ENGEL&VÖLKERS

Market Report 2026/2027 · Prague
RESIDENTIAL REAL ESTATE | SALES

Online
Market Reports

ENGEL&VÖLKERS



Market Report 2026/2027 · Prague
RESIDENTIAL REAL ESTATE | RENTALS

Join our team

www.pracevengel.cz

All information has been compiled with the greatest possible care. The provided information regarding the site and market development refers to: Population (31.03.2026, ČSÚ), purchasing power (2025 NIQ Geomarketing by GfK), and other stated sources. We cannot accept any liability for the accuracy and completeness of this information. We shall not be held responsible for damage of any kind whatsoever incurred either directly or indirectly through the use of this information, with the exeption of liability for intent or gross negligence. Last update of information and data published: August 2026. Duplication is permitted only with reference to source.
Source: Engel & Völkers Residential GmbH (Engel & Völkers), Engel  Völkers Commercial GmbH (Engel & Völkers)
**EUR/CZK, CHF/CZK, EUR/CHF exchange rates for 2024 and 2025: Full-year average CNB exchange rate. Figures are rounded.
EUR/CZK, CHF/CZK, EUR/CHF exchange rates for: First half-year (H1) average CNB exchange rates. Figures are rounded.


ENGEL & VÖLKERS CZECHIA
+420 233 091 011 | PragueAndel@engelvoelkers.com | www.engelvoelkers.com/cz/en
Česká EuV Commercial s.r.o. | Licensee of Engel & Völkers Residential GmbH | Licensee of Engel & Völkers Commercial GmbH
Plzeňská 3351/19 | CZ-150 00 Praha 5 | Real estate agent