MARKETBEAT
BELGIUM
INDUSTRIAL Q3 2025

MARKET FUNDAMENTALS

	YoY Chg	12-Month Forecast
980,400 sq m Take-Up 2025 (YTD)	▲	=
€1.08 BILLION Investment Volume 2025 (YTD)	▼	▼
5.00% Prime Yield Logistics	▼	=

ECONOMIC INDICATORS

	YoY Chg	12-Month Forecast
0.94% GDP Growth YoY 2025 (F)	▼	=
6.14% Unemployment Rate 2025 (F)	▲	=
2.7% Inflation Rate 2025 (F)	▼	▼

Source: Moody's Analytics, Eurostat

SLOW BUT STABLE ECONOMIC GROWTH IN 2025

Belgium's economy remains stable with moderate growth of 1.1% in Q1 and 1.0% in Q2 of this year. **GDP growth** is expected to reach **0.94% overall in 2025**, which is 10 bps higher than previous projections of Moody's in July earlier this year. Growth continues to rely mainly on **household and public spending**, while exports and business investment have weakened because of the ongoing global trade tensions. The pharmaceutical, metal, steel and beverage industries are among the most exposed to the American tariffs, with the U.S. ranking as Belgium's fourth-largest export destination.

Looking towards 2026, economic growth rate is expected to remain broadly unchanged, before improving to an estimated 1.5% in 2027.

INFLATION ON A STABILIZING PATH

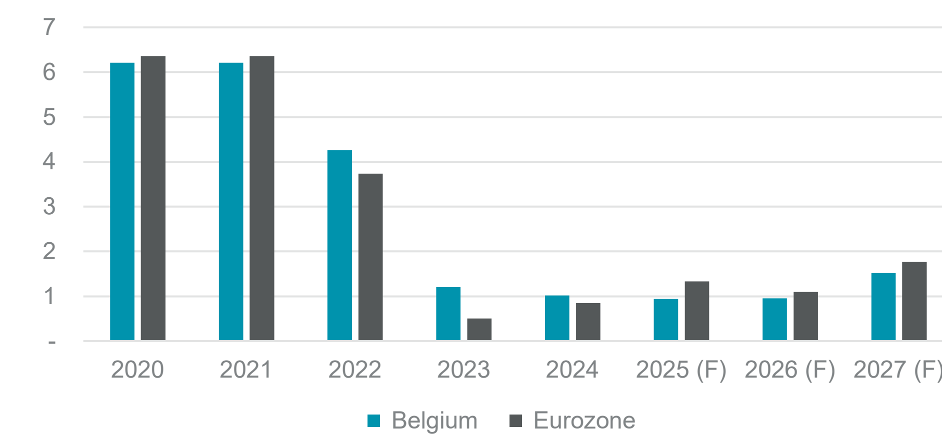
After holding steady at 2.0% for three consecutive months, **Eurozone inflation (HICP) edged up to 2.2%** in September 2025. The increase in prices leaves limited room for the ECB to further lower their key policy interest rates, which have remained unchanged since June. For real estate investors, this stability offers a **more predictable environment and growing confidence** in financing conditions.

Belgium's inflation (HICP) stood at **2.7%** in September, slightly above the Eurozone average, mainly driven by higher prices for clothing and for travels abroad. Despite being higher than the Eurozone average, inflation in Belgium has stabilized, easing indexation pressure on rents and allowing occupiers to plan with greater certainty.

LABOUR MARKET AT A TURNING POINT

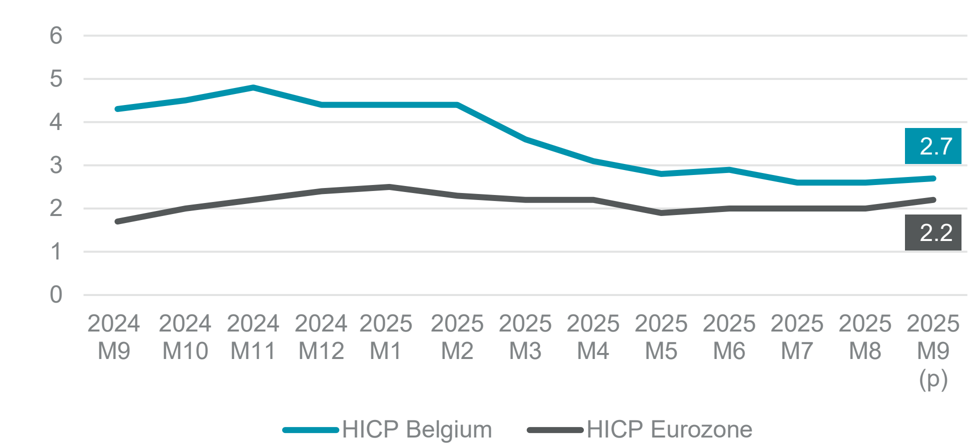
Belgium's **unemployment rate** is projected to rise to **6.1% in 2025**, slightly below the Eurozone average of 6.3%. The increase is broad-based across all regions, with unemployment up in Flanders (3.4%), Wallonia (9.1%) and Brussels (14.7%). According to VDAB, the **number of open vacancies** has fallen to its lowest level since 2018, indicating softer hiring activity. However, this slowdown appears to have bottomed out, as temporary employment is rising and NBB business confidence indicators point to a **gradual recovery in labour demand** later this year.

GDP GROWTH (in % of change prev. year)



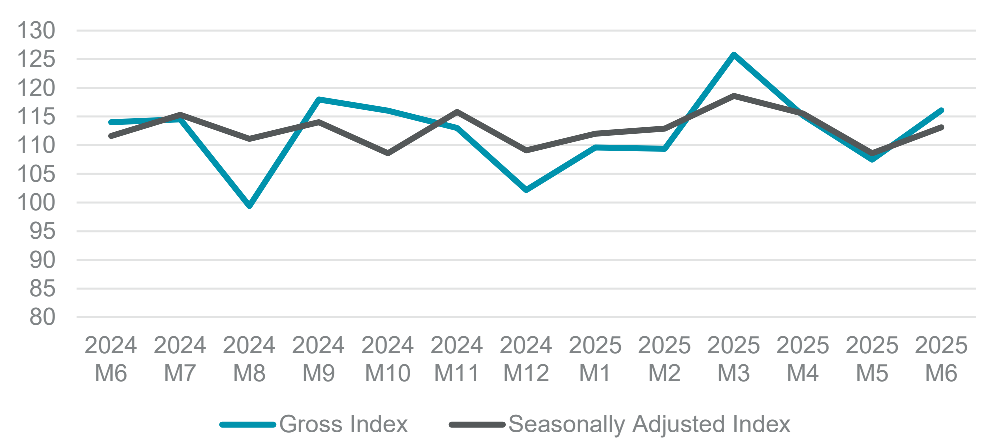
Source: Moody's Analytics (baseline scenario - September 2025)

INFLATION RATE (HICP in % of change)



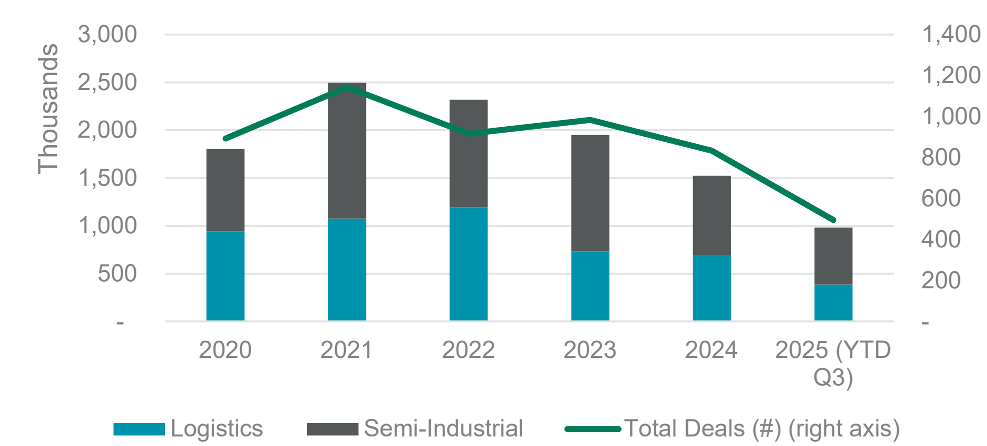
Source: Eurostat

TURNOVER INDEX INDUSTRY (2021 = 100)



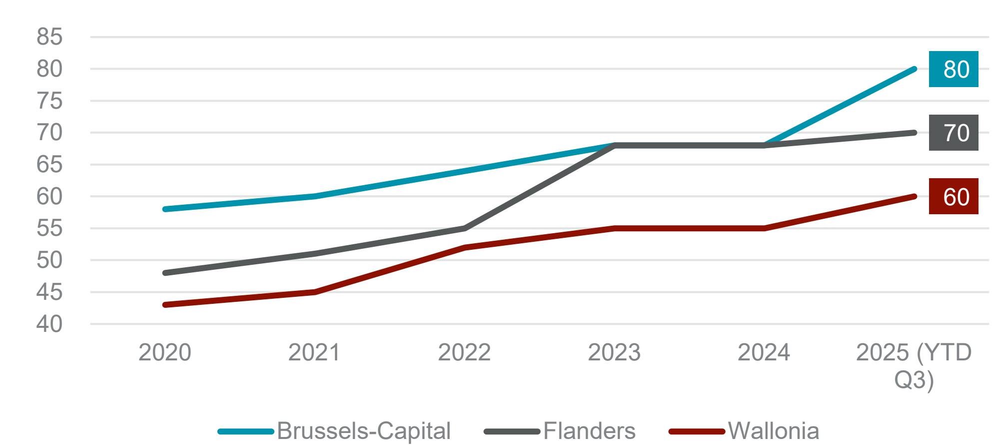
Source: Statbel

TAKE-UP VOLUME BY SECTOR (SQ M)



Source: Cushman & Wakefield

LOGISTICS PRIME RENTS BY REGION (€/SQ M/YEAR)



Source: Cushman & Wakefield

STRUCTURAL CHANGES IN THE BELGIAN INDUSTRY

Belgium's industrial base continues to evolve, with **de-industrialisation progressing faster** than in Germany and the Netherlands over the past two decades. According to the Federal Planning Bureau, this shift reflects a move toward high-value and technology-driven sectors such as pharmaceuticals, chemicals and advanced manufacturing. While the share of manufacturing in the economy has declined, exports and innovation remain key drivers of growth. Rising **labour and energy costs** still weigh on competitiveness, but digitalisation and green transition investments could create new opportunities.

Despite this structural change, **international investors continue to show confidence in Belgium's industrial and digital potential**. In recent months, Amazon announced a €1 billion investment to expand its logistics network and local infrastructure, while Google confirmed a €5 billion plan to develop a new data centre in Saint-Ghislain. Together, these projects emphasize Belgium's appeal as a hub in Europe for further innovation and investment.

TAKE-UP REMAINS BELOW PREVIOUS YEARS

Take-up reached **311,500 sq m in Q3 2025, bringing the year-to-date total to 980,400 sq m**. This volume is lower than the levels recorded in 2021–2023, though it still represents a modest improvement compared to the year-to-date numbers of last year.

The first half of the year was marked by muted demand, while the second half started on a slightly stronger note. The final quarter traditionally brings an increase in activity through transaction closings and delayed announcements, yet **2025 is not expected to end exceptionally high** in terms of take-up.

In the **logistics segment, three transactions above 10,000 sq m** were completed this quarter: Gosselin leased 26,000 sq m in Genk South, Transport Robbyns took over the former Studio 100 site in Puurs-Sint-Amands for over 13,000 sq m and FB Logistics acquired around 10,000 sq m for own occupation in Vilvoorde.

Over recent years, demand from **major logistics and 3PL actors** has become more selective, with some parties focusing on developing their own facilities to meet their specific standards, rather than leasing existing stock.

PRIME RENTS HOLD WITH LIMITED NEW BENCHMARKS

Prime rents remained unchanged this quarter, as few new prime benchmark transactions were recorded. Current prime levels stand at €80/sq m/year in the Brussels region, €70/sq m/year in Flanders and €60/sq m/year in Wallonia.

OUTLOOK

- Belgian **GDP growth rate** is forecasted to remain stable in 2026, before increasing up to 1.5% in 2027.
- **Inflation** is expected to ease to 1.8% in 2026, which may ease cost pressures and improve overall market sentiment.
- **Financing conditions** are expected to remain stable in the period to come, offering a more predictable investment climate.
- **Take-up volume** is expected to remain below the ten-year average by year-end, but all will depend on the strength of activity in the final quarter.
- **Prime rents** are anticipated to hold firm, with limited new benchmarks expected in the coming months.
- **Investor appetite** remains present, though few core assets are coming to market as landlords continue to favour hold or refinancing strategies.
- **Prime yields** are expected to remain stable around 5.0% for logistics, assuming the cost of capital continues to stabilise.

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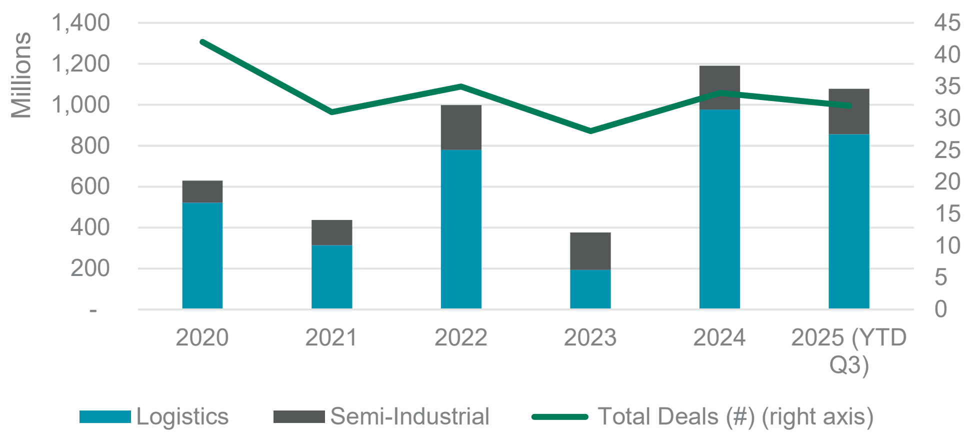
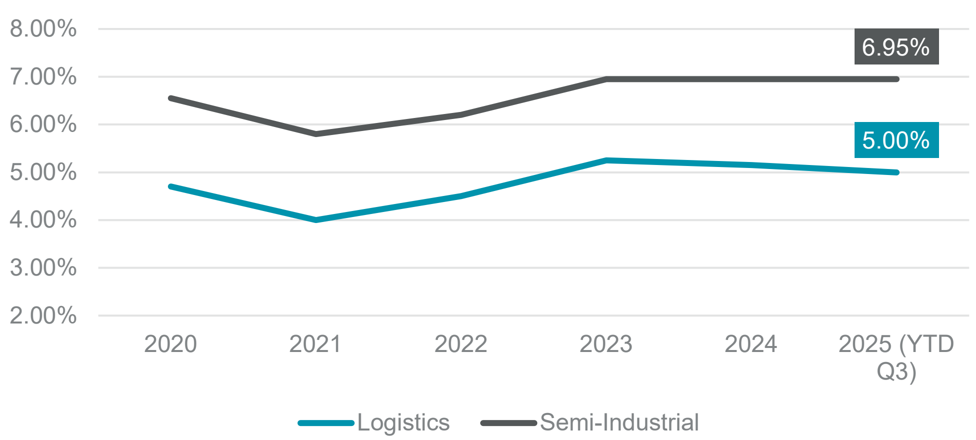
INVESTMENT VOLUME BY SECTOR (€)



Source: Cushman & Wakefield

PRIME YIELDS BY SECTOR



Source: Cushman & Wakefield

No further changes in prime rents are expected in the short term, with rental levels holding steady across regions and limited new evidence.

INVESTMENT VOLUME REMAINS STRONG

Investment activity totalled **€393 million in Q3 2025**, bringing the **year-to-date volume to €1.08 billion**. This represents a strong level of investment, comparable to the exceptionally high activity of 2024.

A key driver this quarter was Intervest, which acquired several assets for a combined €316 million, including the **Weerts Logistics Parks portfolio** worth around €300 million. **Sale-and-leaseback transactions** also reappeared on the market this quarter, with CleanLease completing the sale of five sites for approximately €15 million.

Looking ahead, no major events are expected before year-end, though some deals are already anticipated for 2026. **Investor sentiment remains positive**, yet many landlords of core logistics assets continue to hold or refinance rather than bring properties to market, limiting available product.

YIELDS STABLE AS COST OF CAPITAL STABILISES

With the cost of capital stabilising, prime logistics yields have also settled at 5.00%. The yield spread between prime and subprime assets is approximately 50 basis points, mainly reflecting differences in location attractiveness.

DEFINITIONS

- **Take-up**: total gross lettable area (GLA) in sq m of new occupier transactions, including warehouse, mezzanine and adjacent office space, but excluding renewals and pre-letting transactions without valid permits.
- **Prime rent**: consistently achievable headline rent for a new, well-located, high-specification unit of standard size, excluding rental incentives.
- **Prime yield**: consistently achievable gross initial yield for a grade A property, fully let on a long lease to a strong covenant in a prime location.

KEY OCCUPIER TRANSACTIONS Q3 2025

PROPERTY	SUBMARKET	OCCUPIER	GLA (SQ M)	TYPE
Genk South	Logistics	Gosselin	26,000	Letting
Schoonmansveld 18, Puurs-Sint-Amands	Logistics	Robbyns Transport	13,240	Letting
Schaarbeeklei 600, Vilvoorde	Logistics	FB Logistics	10,000	Owner-Occupier

KEY INVESTMENT TRANSACTIONS Q3 2025

PROPERTY	SUBMARKET	SELLER / BUYER	GLA (SQ M)	PRICE (MEUR)
Portfolio Weerts-Intervest	Logistics	WLP / Intervest	260,500	300
Portfolio CleanLease	Logistics	CleanLease / REAL Invest	40,900	15
Sint-Jansveld 18, Wommelgem	Semi-industrial	Colim / Bolckmans	3,300	4.7

Transactions in the table include key transactions in the market and are not necessarily closed by Cushman & Wakefield.

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