

**MARKET FUNDAMENTALS**

	YOY Chg	12-Month Forecast
<b>575,749</b> Zagreb Retail Stock	▲	▲
<b>€30-45</b> Average prime SC rent, sqm/month	▬	▬
<b>7.25%</b> Prime SC Yields	▬	▬

**ECONOMIC INDICATORS**

	YOY Chg	12-Month Forecast
<b>2.3%</b> GDP Growth Rate Q3 2025	▼	▬
<b>2.1%</b> Zagreb Unemployment Rate Q4 2025	▼	▼
<b>€1,698</b> Zagreb Average Net Salary Q1 2025 Jan-Nov 2025	▲	▲

*(Overall, All Property Classes)*  
*Source: Croatian Bureau of Statistics*

**ECONOMY**

Croatia's economy is expected to continue expanding at a gradually slower pace, with real GDP growth easing from 3.8% in 2024 to around 3.0% in 2025 and toward 2.6% by 2027, driven mainly by domestic demand. Inflation, which rose temporarily in late 2024 and early 2025 due to energy and food prices, is projected to gradually decline toward target levels by 2027. Labor market conditions are expected to remain tight, with slower employment and wage growth, while external imbalances should persist due to weaker tourism competitiveness, partly offset by stronger goods exports and EU funds.

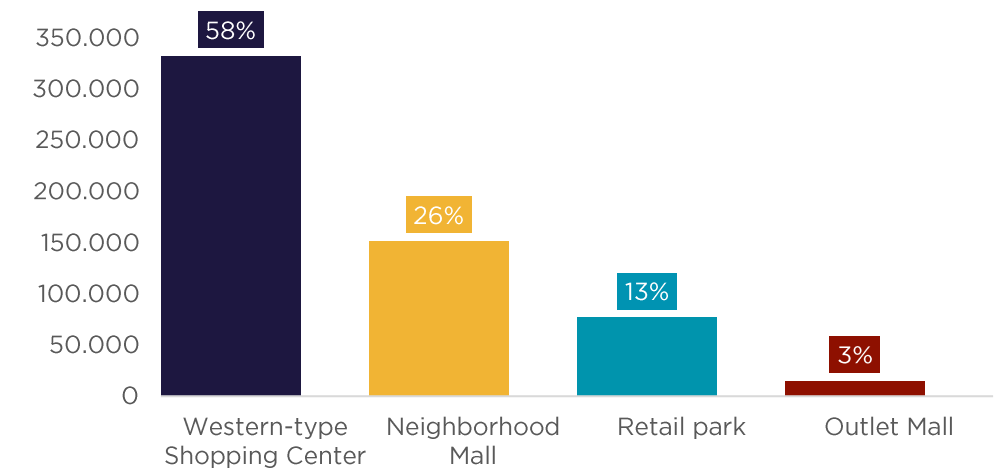
**SUPPLY & DEMAND**

In the second half of 2025, the Croatian retail market continued its growth phase following the wave of retail park openings earlier in the year. Development momentum remained firmly oriented toward smaller, convenience-driven formats, while the shopping centre segment continued to show signs of maturity. No new shopping centres were delivered during the year, either in Zagreb or elsewhere in Croatia, and no large-scale schemes are currently under construction confirming the maturity of the large-scale shopping centre segment.

In 2025, a total of ten retail parks were delivered across Croatia, expanding the national modern retail stock by approximately 72,500 sq m. Two schemes were completed within the Zagreb area, while the remaining developments were located in Jastrebarsko, Dugo Selo, Varaždin, Dugopolje, Vinkovci, Umag, Nova Gradiška and Ivanec. Regional retail parks typically range between 5,000 sq m and 8,000 sq m of GLA, whereas the newly delivered projects in the Zagreb area are notably larger, averaging approximately 10,000 sq m.

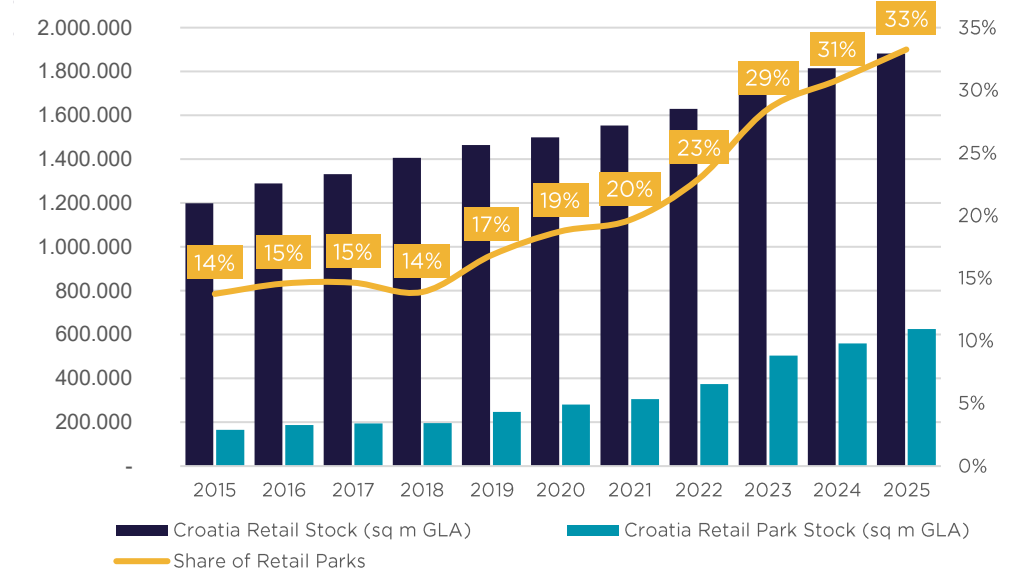
As a result, Croatia's total modern retail stock stands at approximately 1.88 million sq m. Western-type shopping centres continue to dominate the structure (44%), followed by retail parks (33%). Zagreb remains the country's primary retail hub, accounting for roughly 576,000 sq m of modern retail space.

**SUPPLY PER TYPE OF SCHEME IN ZAGREB (sq m)**



Source: CBS International, part of Cushman & Wakefield Group

**SHARE OF RETAIL PARKS IN CROATIA**



Source: CBS International, part of Cushman & Wakefield Group

Development activity remains active, with the majority of upcoming supply concentrated in the retail park segment. By the end of 2026, the Croatian pipeline is expected to comprise seven planned retail park developments nationwide, alongside one multifunctional real estate project incorporating a retail component. In Zagreb, development activity remains predominantly focused on extensions and targeted upgrades of existing schemes rather than on greenfield shopping centre projects. Key projects include the second phase expansion of Designer Outlet Croatia (IKEA Designer Outlet) adding approximately 6,000 sq m, the King Cross neighbourhood mall extension in Jankomir contributing around 5,000 sq m, and the planned enlargement of the Arena Centar food court by approximately 6,000 sq m. During 2025, the Zagreb retail market recorded two notable newcomers, with Notino entering Arena Centar and ONLY joining the market through Designer Outlet Croatia.

**PRICING**

Rental levels in Zagreb’s major shopping centres remained stable, standing between EUR 30-45 per sq m/month. High-street rents showed no movement and continued to range from EUR 45-70 per sq m. Prime yields for retail assets in Zagreb also held broadly steady, at approximately 7.25% for modern shopping centres and 8.00% for retail parks, while prime high-street yields remained at around 7.00%. Vacancy across prime retail assets in Zagreb remains extremely low, with waiting lists persisting in the best-performing shopping centres and high street locations. Retail parks across Croatia also demonstrate high occupancy levels, supported by strong demand for convenience retail and the relative affordability of the format.

**OUTLOOK**

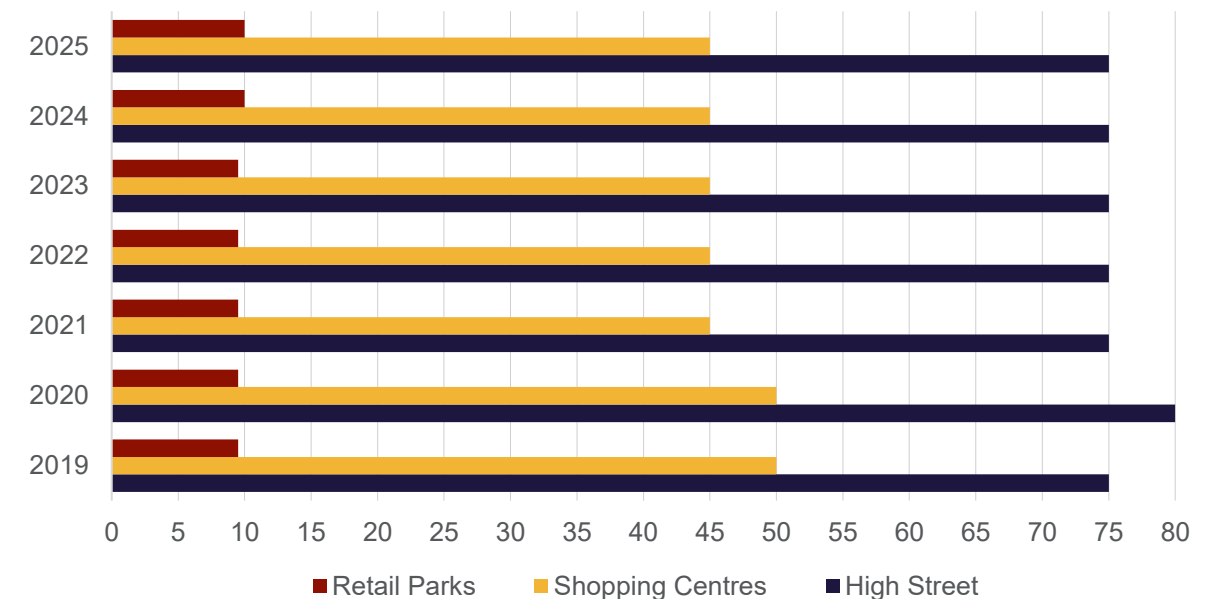
- Prime rental levels in Zagreb are expected to remain broadly stable in the shopping centre and retail park segments, supported by limited new supply and very low vacancy in dominant schemes. Prime high street rents remain impacted by ongoing earthquake-related reconstruction in the city centre, although medium-term growth is anticipated.
- Development activity to remain focused on retail parks and targeted extensions rather than new large-scale shopping centres
- As of end-2025, Sephora is set to enter the Zagreb market as a newcomer, with its first store expected to open in 2026 at City Center One East

**KEY CONSTRUCTION COMPLETIONS 2025**

PROPERTY	SUBMARKET	TYPE OF SCHEME	SIZE (sqm GLA)	DEVELOPER
Supernova Jastrebarsko	Jastrebarsko	Retail park	6,000	Supernova
Retail Park Dugo Selo	Dugo selo	Retail park	5,300	M-Nekretnine
Green Park	Varaždin	Retail park	5,360	SES
Retail Parka West Point Umag	Umag	Retail park	4,500	Project ARCTIC d.o.o
Shop Park Dugopolje	Dugopolje	Retail park	8,131	Shop park Dugopolje
Hey Park Vinkovci	Vinkovci	Retail park	7,000	BMP Asset
STOP SHOP Nova Gradiška	Nova gradiška	Retail park	8,133	CPI
STOP SHOP Ivanec	Ivanec	Retail park	7,660	CPI
JOY Retail park Rugvica	Zagreb	Retail park	10,500	INGKA Centres and ROS Retail Outlet Shopping
FT Park	Zagreb	Retail park	10,000	FeroTerm

Source: CBS International, part of Cushman & Wakefield Group

**PRIME RENTS IN ZAGREB (EUR/sq m)**



Source: CBS International, part of Cushman & Wakefield Group

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