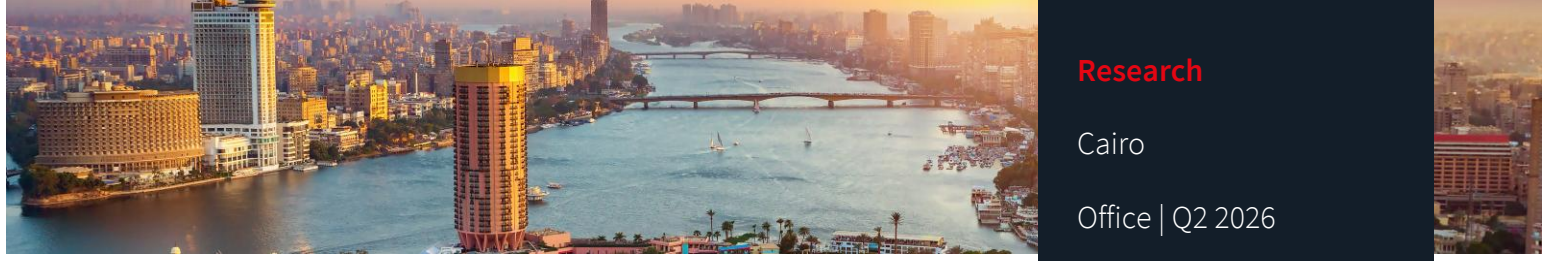
JLL SEE A BRIGHTER WAY



Research

Cairo

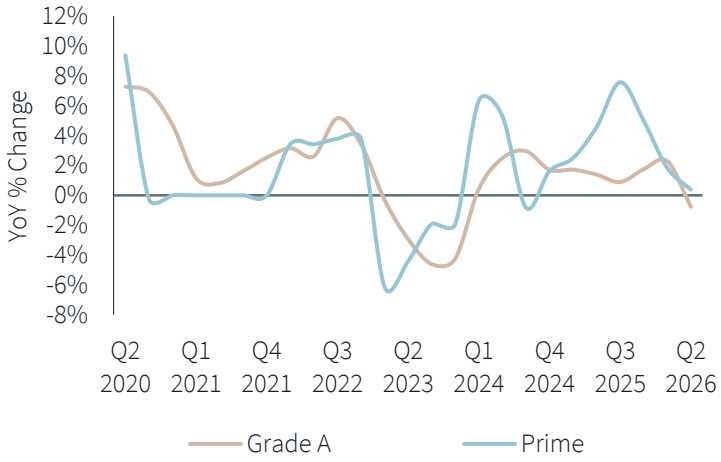
Office | Q2 2026

Cairo

- Cairo's office market expanded by approximately 96,200 sq. m. of Gross Leasable Area (GLA) in Q2 2026, bringing the city's total office inventory to roughly 2.99 million sq. m.
- The continued delivery of new developments is expected to heighten competition within the grade A segment, potentially exerting gradual downward pressure on average grade A rates.
- Capitalising on Cairo's evolving live-work-play urban model, landlords are pursuing innovative strategies to differentiate their offerings and better position themselves in an increasingly competitive market.

Fundamentals	
Total stock	2.99m sq. m.
Upcoming stock (2026)	289,300 sq. m.
Prime rent (YoY)	0.4%
Grade A rents (YoY)	-0.8%
Vacancy rate	9.4%

Annual Rental % change



Building on the delivery momentum established in the first quarter, Cairo's office market added approximately 96,200 sq. m. of Gross Leasable Area (GLA) during Q2 2026, elevating the city's total office inventory to roughly 2.99 million sq. m. The development pipeline remains active, with an additional 289,300 sq. m. of office space scheduled for completion in the second half of the year.

Office demand in Cairo remained resilient in Q2, with increased activity from local companies pursuing grade B space - particularly as tenants transition away from informal residential offices, and few multinational corporations seeking grade A and prime assets. Average asking rents for prime office spaces increased marginally by 0.4% in Q2 2026 while grade A office spaces dropped modestly by 0.8% year-on-year due to increasing competition. Meanwhile, average city-wide vacancy rate rose to 9.4% (From 7.6% in Q2 2025), reflecting newly materialised office projects.

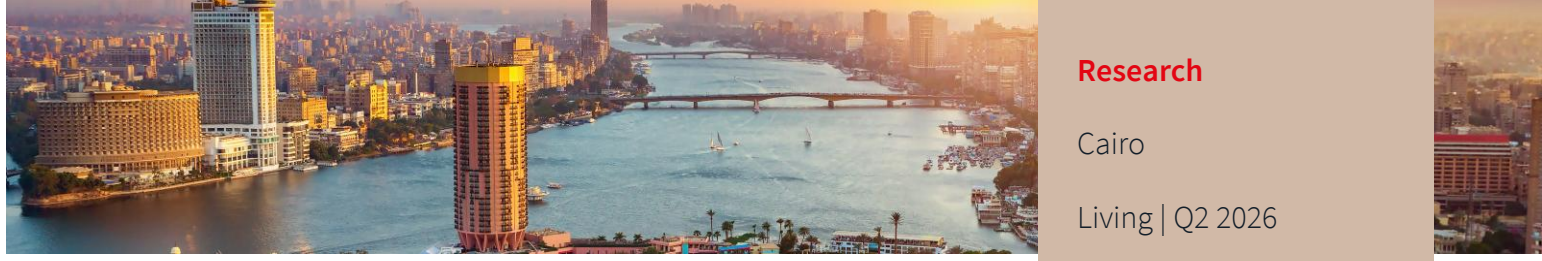
Outlook

Prime rents are expected to hold firm given limited supply at the top end compared to robust demand. However, as new developments deliver, competition within the grade A segment is likely to intensify further. This may potentially place gradual downward pressure on average grade A rates as landlords become more flexible in negotiations to attract and retain tenants. Conversely, ongoing inflationary pressures may counterbalance this downward trend, potentially stabilising or slowing rental corrections in the near term.

Capitalising on Cairo's evolving live-work-play urban model, Citystars Park St. has launched Park St. Signature Offices, Cairo's first hospitality-infused branded office concept that integrates premium design with lifestyle amenities including valet services, concierge support, fitness centers, and wellness environments. This innovative positioning signals shifting tenant expectations toward holistic workplace experiences and could influence future development strategies, encouraging developers to incorporate experiential elements that enhance employee well-being and competitiveness in an increasingly discerning market.

© Jones Lang Lasalle IP, Inc. 2026

JLL SEE A BRIGHTER WAY



Research

Cairo

Living | Q2 2026

Cairo

- The second quarter of 2026 witnessed a moderate decline in completion activity from prior quarters, with approximately 4,500 units delivered.
- Developers are implementing more flexible payment frameworks to mitigate affordability constraints while securing steady cash inflows for their project pipelines.
- The market's underlying strengths remain intact, bolstered by sustained commitment from major developers with substantial capital resources.

Fundamentals (YoY)	
Total stock	338,100 units
Upcoming stock (2026)	29,500 units
Sale prices YoY – 6th of October	+2.8%
Sale prices YoY – New Cairo	+2.4%
Rental rates YoY – 6th of October	+7.0%
Rental rates YoY – New Cairo	+7.0%

The second quarter of 2026 witnessed a moderate decline in completion activity from prior quarters, with approximately 4,500 units delivered. This increased the total residential inventory to roughly 338,100 units. The balance of 2026 is projected to add around 29,500 units to the market, with a new wave of developments scheduled for completion in the New Administrative Capital (NAC) and Mostakbal City.

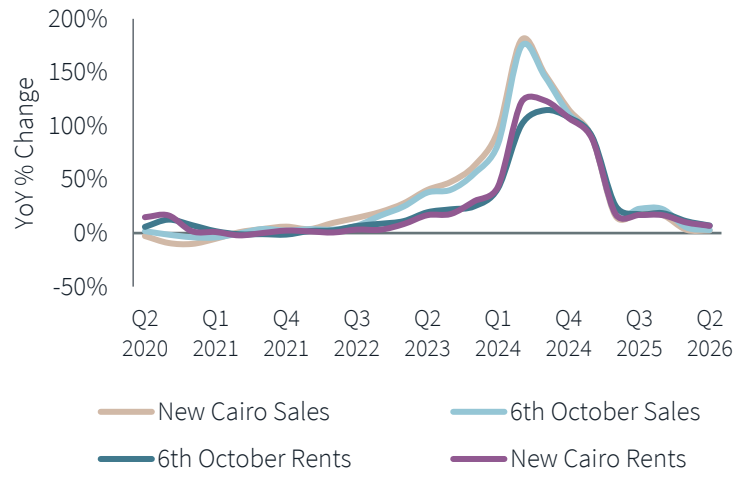
Cairo's residential sector experienced subdued activity with limited new launches throughout Q2, as development activity typically shifts towards the North Coast during this period. Sales prices across the capital have entered a saturation phase, registering modest quarterly increases of 2.8% in 6th of October and 2.4% in New Cairo. Meanwhile, demand continued to favor the rental market, though rental rate growth has also decelerated to approximately 7.0% on average in each of 6th October and New Cairo as affordability pressures mount.

Developers have been increasingly adjusting payment structures to address market affordability challenges while sustaining cash flows for their ongoing projects. The prevailing approach involves extended payment plans that preserve headline pricing, while offering immediate discounts to buyers who opt for accelerated payment schedules. This dual-pricing mechanism allows developers to maintain nominal price levels while providing tangible incentives for buyers with stronger liquidity positions.

Outlook

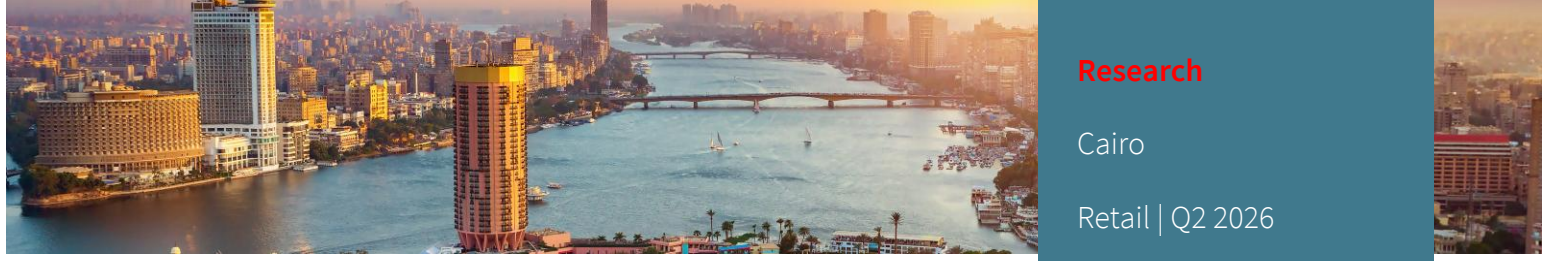
Long-term fundamentals remain robust, underpinned by continued institutional investment from established developers with substantial capital reserves. The recent announcement by Majid Al Futtaim in partnership with MIDAR exemplifies this confidence - a US$ 3.1 billion master-planned mixed-use development spanning 553 feddans within MADA City in East Cairo, marking Majid Al Futtaim's first integrated mixed-use residential community in Egypt. The development will deliver over 6,000 residential units alongside retail, hospitality, and commercial components. This landmark investment reinforces East Cairo's position as a premier destination, signaling sustained regional investor confidence and supporting further foreign capital inflows into Cairo's real estate market.

Annual Sales and Rental % change



© Jones Lang Lasalle IP, Inc. 2026

JLL SEE A BRIGHTER WAY



Research

Cairo

Retail | Q2 2026

Cairo

- Retail supply expanded by approximately 42,700 sq. m. of gross leasable area (GLA) in Q2 2026, bringing Cairo's cumulative retail stock to roughly 3.48 million sq. m.
- Summer promotional campaigns and retail festivals throughout the quarter generated improved footfall and transaction volumes across shopping destinations.
- Landlords are adopting increasingly tailored leasing approaches to balance profitability pressures with the need to attract high-performing tenants and stimulate visitor traffic, acknowledging the investment required to secure quality anchors.

The second quarter of 2026 delivered approximately 42,700 sq. m. of gross leasable area (GLA), increasing the total retail inventory to around 3.48 million sq. m. An additional 324,300 sq. m. of retail space is planned for completion in the second half of the year, although developers with liquidity challenges continue to face obstacles in meeting delivery schedules and securing tenant commitments.

Q2 2026 benefited from the summer season, with discount packages and retail festivals driving notable improvements in mall visitation and sales activity as consumers capitalised on promotional offers. The entertainment sector maintained its position as the most active segment, alongside experiential retail and F&B, particularly following the removal of the 9 pm operational curfew that had been imposed during Q1. This regulatory easing provided operators with extended trading hours and improved revenue potential across evening-oriented categories.

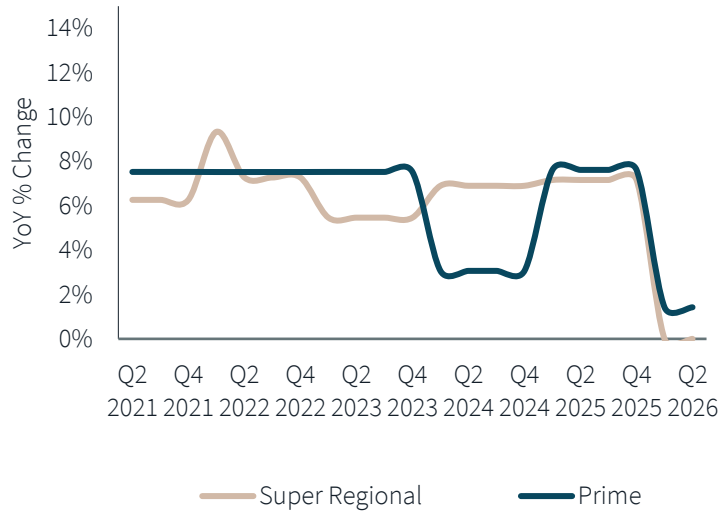
Rental rates demonstrated quarterly stability, with modest Y-o-Y changes. Average prime rents increased annually by 1.4%, while average rents in regional and super-regional malls rose by 3.6%. However, intensifying market competition has prompted landlords to maintain base rental levels while increasingly relying on revenue-share models, which can exceed 15% in certain cases. This shift reflects landlords' efforts to balance tenant affordability with their own return requirements in a more challenging leasing environment.

Outlook

The retail sector continues its gradual recovery, showing stronger performance than the same period last year as both local and international brands expand into Cairo, including recent entrants such as Joe and the Juice, BKRY, and Sandro. While sustaining profitable retail developments remains challenging given the incentives required to attract demand generators and established brands, landlords have become more strategic in tailoring their offers to secure tenant interest and drive consumer footfall. For smaller mixed-use retail formats, which dominate the upcoming supply pipeline, the emphasis is on incorporating popular F&B concepts - particularly specialty coffee shops experiencing significant growth - alongside complementary soft retail. Larger format malls seek to differentiate through comprehensive shopping experiences with diversified tenant mixes that address varied consumer needs under one roof.

Fundamentals	
Total stock	3.48m sq.m
Upcoming stock (2026)	324,300 sq.m
Prime Rent Growth YoY	1.4%
Super-Regional/Regional Avg. Rent Growth YoY	3.6%
Community Centres Rent growth YoY	0.8%
Average Vacancy rate (Super Regional Malls)	6.0%

Annual Rental % change



© Jones Lang Lasalle IP, Inc. 2026

JLL SEE A BRIGHTER WAY



Research

Cairo

Hospitality | Q2 2026

Cairo

- International arrivals to Egypt reached approximately 9 million during the first six months of 2026, reflecting a 4% increase compared to the prior year period.
- The hospitality sector maintains a positive long-term outlook, supported by substantial infrastructure investments, broadened financing channels, and improved air connectivity that position the market favourably to absorb anticipated demand growth.
- Hotel supply in Cairo expanded by roughly 207 keys during Q2 2026, bringing the city's total inventory to approximately 29,200 keys and an additional 1,277 keys in the 2026 pipeline.

Fundamentals	
Total stock	29,200 keys
Upcoming stock (2026)	1,277 keys

Cairo's hospitality sector added approximately 207 keys in the second quarter of 2026, increasing total hotel inventory to around 29,200 keys. A further 1,277 keys are expected to complete by year-end, with an additional 3,500 keys planned for 2027, demonstrating a robust development pipeline aligned with government objectives to substantially expand hotel capacity by 2031.

Key performance indicators revealed a modest softening in Cairo's hotel metrics, with occupancy rates declining 3.3 percentage points year-on-year to 62.4% in the year to June 2026. However, average daily rates (ADR) demonstrated resilience, edging up 0.6% to US$ 154.0, while revenue per available room (RevPAR) decreased 4.6% to US$ 96.1 over the same period. The slight performance moderation primarily reflects seasonal dynamics as summer redirects leisure demand toward the North Coast, compounded by cautious traveller sentiment stemming from ongoing regional tensions in the Middle East given Egypt's geographic proximity.

That said, Egypt welcomed around 9 million international visitors in the first half of 2026, marking a 4% year-on-year increase despite persistent regional uncertainties. The sector's resilience stems from proactive government measures, including enhanced aviation incentives and airline support to counter rising fuel costs while preserving connectivity, alongside competitive discount packages introduced by hotel operators to maintain market appeal during softer periods.

Outlook

Strategic tourism infrastructure continues to advance substantially, with the Ministry of Tourism progressing the Giza-to-Dahshur Master Plan, a specialised corridor targeting 20,000 to 25,000 hotel rooms and entertainment complexes by 2040 to capitalise on the Grand Egyptian Museum's full operation. Notable private investments include Orascom Pyramids Entertainment's EGP 500 million (US$ 41 million) commitment to the Giza Plateau redevelopment, emphasising zero-emission infrastructure and year-round entertainment, alongside the government’s US$ 3.5 billion Cairo International Airport expansion to boost capacity from 40 million to 70 million passengers annually. Therefore, Egypt’s hospitality sector remains well-positioned for sustained growth, with comprehensive infrastructure development, expanded financing mechanisms, and enhanced aviation connectivity creating favorable conditions for meeting anticipated demand in the long run.

Cairo Hospitality Performance

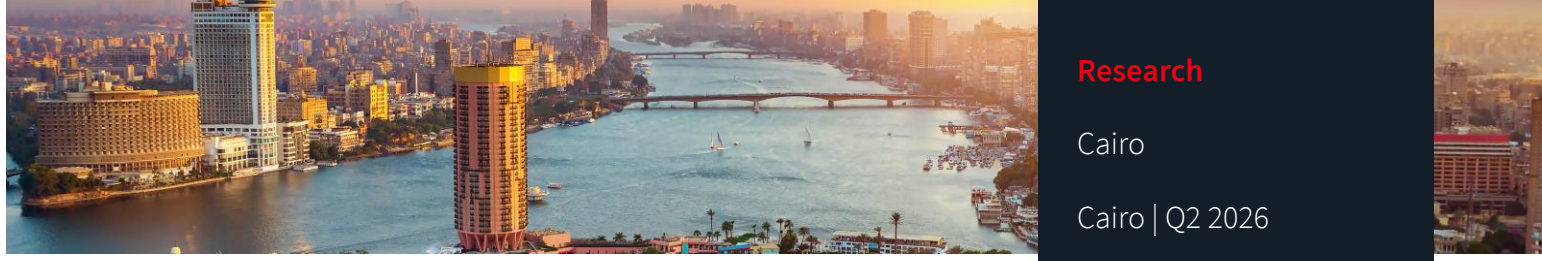
YTD June. 2026

Key Performance Indicator	
ADR	US$ 154.0
Occupancy	62.4%
RevPAR	US$ 96.1
ADR, YoY % Change	+0.6%
Occupancy, YoY PP Change	-3.3
RevPAR, YoY % Change	-4.6%

Source: STR Global

© Jones Lang Lasalle IP, Inc. 2026

JLL SEE A BRIGHTER WAY



Research

Cairo

Cairo | Q2 2026

Taimur Khan
Head of Research
Middle East and Africa
taimur.khan@jll.com

Faraz Ahmed
Senior Director
Middle East and Africa
faraz.ahmed@jll.com

Zenah Alsaraeji
Research Associate
Middle East and Africa
zenah.alsaraeji@jll.com

Ayman Sami
Country Head
Egypt
Ayman.sami@jll.com

Ahmed Hemmat
Head of P&DS
Egypt
Ahmed.hemmat@jll.com

Mireille Azzam Vidjen
Head of Consulting
Middle East and Africa
mireille.azzam@jll.com

Dana Williamson
Head of Offices, Business Space & Retail
Middle East and Africa
dana.williamson@jll.com

Tim Millard
Head of Valuations and Risk Advisory
Middle East and Africa
tim.millard@jll.com

Amr Elnady
Head of Hotels and Hospitality
Middle East and Africa
amr.elnady@jll.com

COPYRIGHT © JONES LANG LASALLE IP, INC. 2026

This report has been prepared solely for information purposes and does not necessarily purport to be a complete analysis of the topics discussed, which are inherently unpredictable. It has been based on sources we believe to be reliable, but we have not independently verified those sources, and we do not guarantee that the information in the report is accurate or complete. Any views expressed in the report reflect our judgment at this date and are subject to change without notice. Statements that are forward-looking involve known and unknown risks and uncertainties that may cause future realities to be materially different from those implied by such forward-looking statements. Advice we give to clients in particular situations may differ from the views expressed in this report. No investment or other business decisions should be made based solely on the views expressed in this report.

© Jones Lang Lasalle IP, Inc. 2026