

Zimbabwe Real Estate Market

H1 2026

Harare market snapshot: gold-led growth and single-digit inflation in H1 2026 support suburban Grade A offices, modern warehousing and REIT-owned retail, while the CBD remains under pressure.



Market overview: Zimbabwe’s growth stayed firm in H1 2026 on gold and lithium, and Harare remains its commercial hub

4.2% Real GDP growth, 2026F 8.1% in 2025 · 1.6% in 2027F	2.9% CPI inflation, 2026F average 25.6% in 2025 · 4.0% in 2027F	30% RBZ policy rate Cut 5ppt in June	ZiG 26.2 Per US\$, end-2026F 26.6 at end-2025; economy largely dollarised	+2.0% Current account, % of GDP 2026F Gold exports ~US\$5bn in 2026	53.9% Government debt, % of GDP 2026F Fiscal deficit 1.0% of GDP 2026F
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Harare is Zimbabwe’s administrative and commercial centre; a largely dollarised economy, firm growth and low inflation support suburban, US\$-earning assets, while the CBD continues to empty.

MACRO BACKDROP

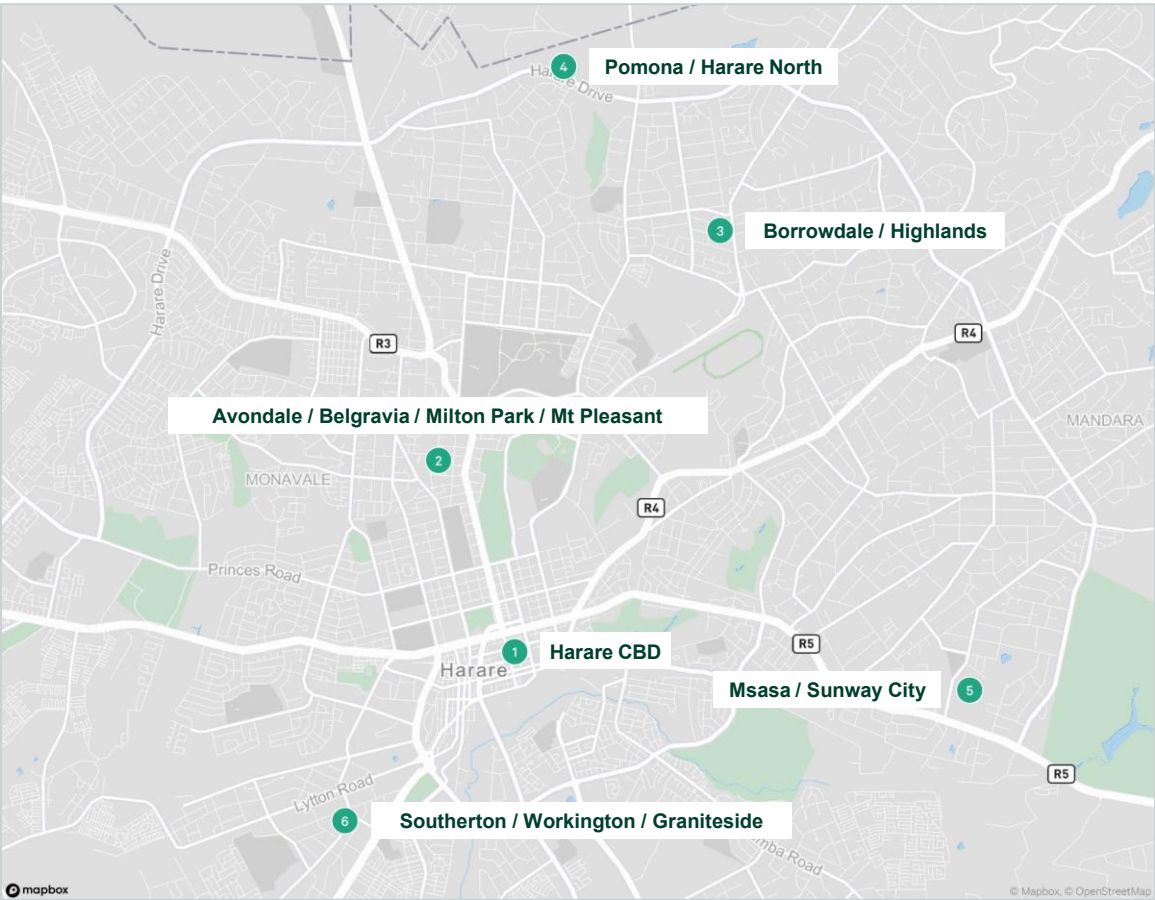
- Growth reached 6.8% y/y in Q1 2026 on record gold output and lithium investment; Oxford Economics forecasts **4.2% in 2026**, slowing to 1.6% in 2027 as El Niño hits farming and power.
- Inflation was 3.2% y/y in July and is forecast to average **2.9% in 2026**; the ZiG has been stable since March, and the RBZ cut its rate to 30% in June.
- An IMF Staff-Monitored Programme approved in March met all targets at its first review; **debt arrears** still limit access to external finance.

REAL ESTATE DEMAND

- Corporates are relocating from the CBD to **suburban nodes such as Borrowdale, Avondale and Mount Pleasant**, citing parking, utilities and security.
- CBD office vacancy is about 40–60%, while suburban Grade A space achieves rents above US\$10/sqm on largely triple-net leases.
- Investors favour **US\$-income assets**: modern warehousing, REIT-owned convenience retail and mixed-use precincts such as Highland Park.
- A 15% presumptive tax on gross commercial rent from January 2026 and high construction costs constrain speculative development.

Source: Oxford Economics Africa, Country Economic Forecast Zimbabwe (2026); ZIMSTAT; Reserve Bank of Zimbabwe; IMF; CBRE Excellerate Research. F = forecast.

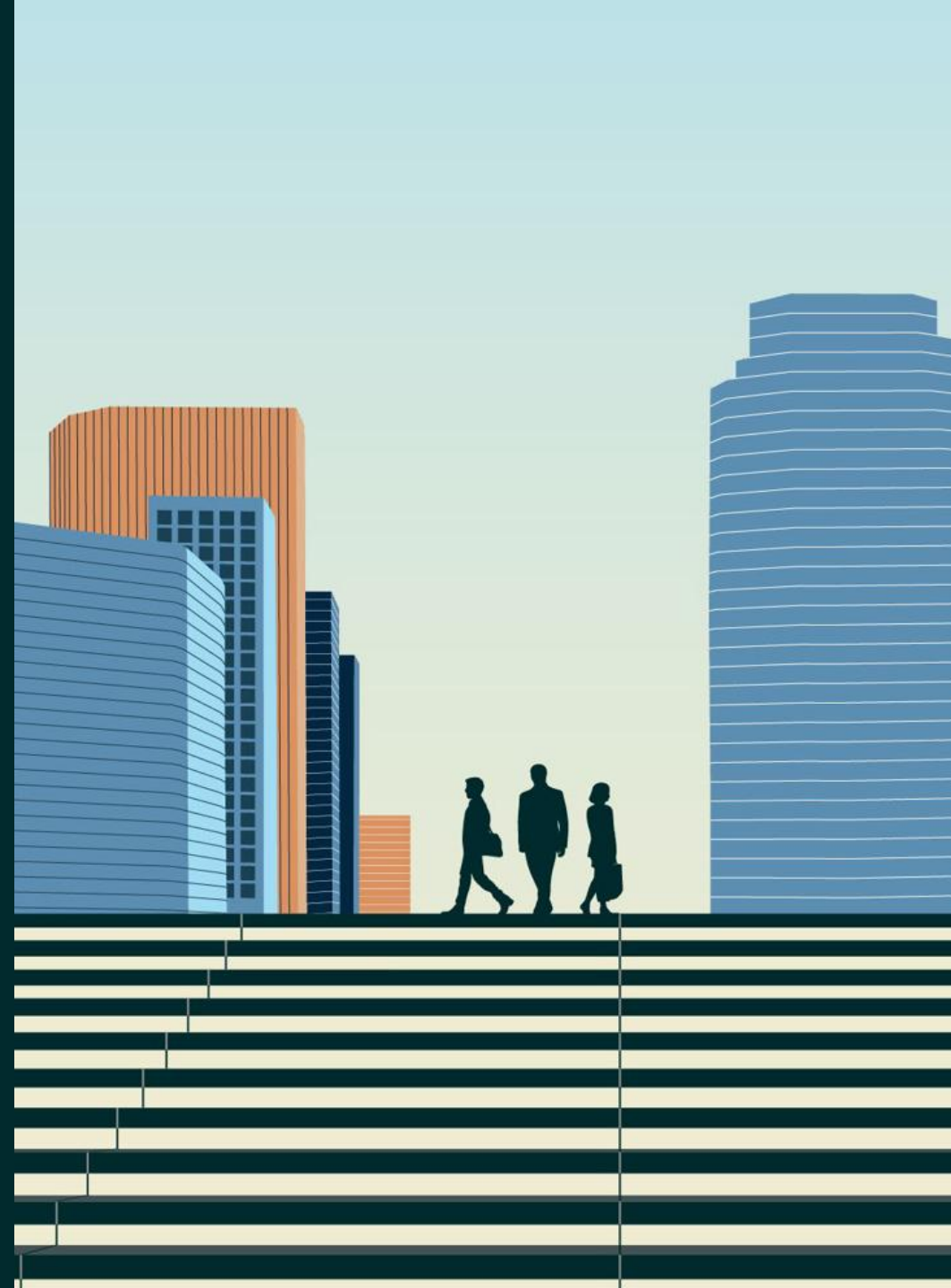
Key nodes: Harare’s activity spans six nodes, from the CBD and northern suburbs to the eastern and southern industrial belts



Key nodes		Positioning	Key characteristics
1	Harare CBD	Legacy administrative and commercial core	Government, banks and older office stock; vacancy of 40–60% and conversions to SME space.
2	Avondale / Belgravia / Milton Park / Mount Pleasant	Inner northern office ring	Converted and purpose-built suburban offices, including Arundel Office Park; strong professional demand.
3	Borrowdale / Highlands corridor	Prime suburban office and retail	Sam Levy’s Village and Highland Park; the main corridor for new Grade A offices and mixed-use precincts.
4	Pomona / Harare North	Emerging logistics and wholesale node	New logistics, warehousing and wholesale facilities achieving rents above US\$8/sqm.
5	Msasa / Sunway City	Eastern industrial and logistics belt	Established industrial area on the Mutare Road, with modern warehousing in Sunway City.
6	Southerton / Workington / Graniteside	Southern traditional industrial belt	Older factories and warehouses close to the CBD and rail; lower rents and mixed condition.

Source: CBRE Excellerate Research; CBRE Excellerate Africa real estate database. Map: © Mapbox, © OpenStreetMap contributors; node locations are approximate.

Market KPI Snapshot



Market KPI snapshot: suburban Grade A offices and modern warehousing lead, while CBD offices carry very high vacancy

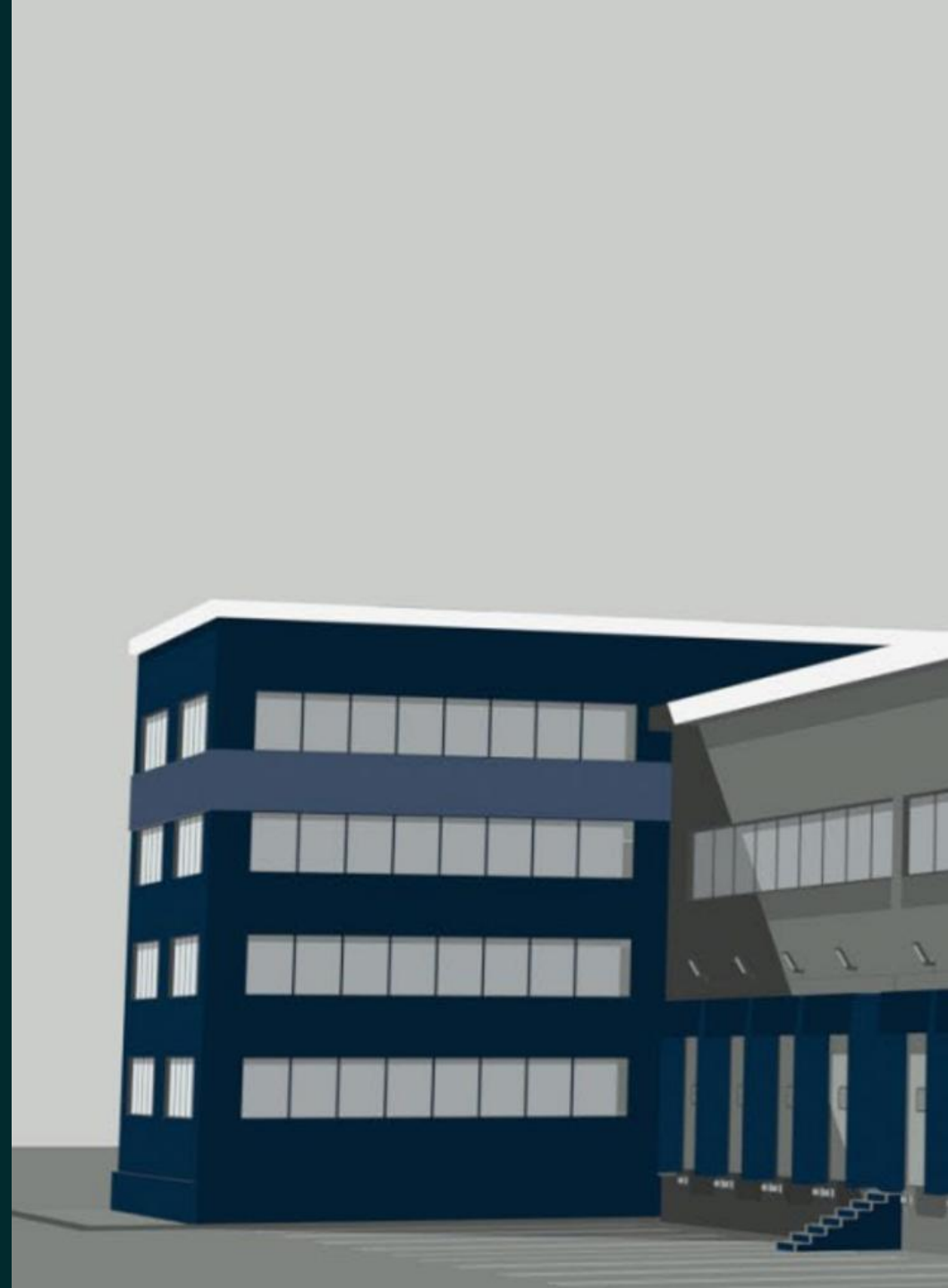
Notes on KPI methodology and transparency

- Commercial leases in Harare are quoted and paid mostly in US\$; rents are set from graded asking-rent evidence (prime and Grade A listings in a standard size band), cross-checked against published benchmarks and listed-company disclosures.
- Harare has no consolidated stock or vacancy series; vacancy, stock, pipeline and yields are indicative institutional-grade benchmarks.
- Conversion note: ZiG equivalents use ZiG 26.2/US\$ (Oxford Economics end-2026 forecast) and are rounded.

Indicator	Office	Industrial	Retail
*Prime Rent (US\$ / sqm / month)	~12–15 (ZiG 315–395; Grade A in Borrowdale and the northern suburbs)	~6–8 (ZiG 155–210; modern warehousing in Pomona and Msasa)	~18–25 (ZiG 470–655; prime units in managed suburban centres)
*Rental Range (US\$ / sqm / month)	~5–15 (ZiG 130–395; CBD to suburban Grade A)	~1.5–10 (ZiG 40–260; older factories to new logistics)	~7–28 (ZiG 185–735; CBD shops to prime centres)
Vacancy Rate (%)	~40–60% in the CBD; low in suburban Grade A	Low for modern warehousing; older factories slower to let	~3% in REIT-owned centres (97% occupancy)
Prime Yield (%)	~9–11% (suburban Grade A ~9%; CBD higher)	~10–12% (warehousing ~10%; manufacturing higher)	~8–9% (recent REIT acquisitions at 7.7–9.2%)
Total Stock (sqm)	No consolidated series; large legacy CBD stock	Large legacy factory stock; modern warehousing limited	Managed centres concentrated in the northern suburbs
Pipeline Supply (sqm)	~12,000 Grade A recently delivered on the Borrowdale corridor, mostly owner-occupied	New logistics parks in Pomona and Msasa	Highlands Precinct expansion; selective REIT acquisitions

*Typically excluding VAT and service charge unless stated. Source: CBRE Excellerate Research; CBRE Excellerate Africa real estate database; listed REIT and property company disclosures; Oxford Economics Africa (2026).

Typical Market Practice



Lease structure: leases are trending shorter, at one to five years, with longer terms for anchors and build-to-suit

Commercial leases are governed by the Commercial Premises (Lease Control) Act and the lease itself; terms vary by landlord type, asset quality and tenant covenant.

Item	Office	Retail	Industrial
Typical lease term	1–5 years; shorter for SMEs and in the CBD	3–5 years; anchors 5–10 years	3–5 years; longer for build-to-suit
Renewal options	Negotiated; rent reset at renewal	Negotiated; linked to trading performance	Negotiated; common where the tenant invested in fit-out
Expansion options	Limited; more feasible in suburban office parks	Limited by unit availability and tenant mix	More feasible in parks with phased space
Subletting	Requires landlord consent	Usually restricted; consent required	Requires landlord consent

Source: CBRE Excellerate Research; Commercial Premises (Lease Control) Act; ZIMRA guidance (Finance Act, 2025). Market practice: indicative and deal-specific.

Rental structure: rents are quoted in US dollars per sqm per month, with fixed annual escalations common

How rents are calculated, escalated and paid in Harare.

Item	Office	Retail	Industrial
Rent calculation	US\$/sqm/month; Grade A suburban leases largely triple-net	US\$/sqm/month; turnover rent in some centres	US\$/sqm/month
Rent escalation	Fixed annual or CPI-linked; reviewed at renewal	Fixed annual steps	Fixed annual uplift
Advance rent	Monthly in advance	Monthly in advance	Monthly in advance
Currency	Predominantly US\$; ZiG at the interbank rate by agreement	Predominantly US\$	Predominantly US\$

Source: CBRE Excellerate Research; Commercial Premises (Lease Control) Act; ZIMRA guidance (Finance Act, 2025). Market practice: indicative and deal-specific.

Financial obligations: deposits of one to three months’ rent are typical, and VAT at 15.5% applies for registered landlords

Recurring costs and statutory obligations attached to commercial leases.

Item	Office	Retail	Industrial
Security deposit	Commonly 1–3 months’ rent	Commonly 1–3 months	Commonly 1–3 months
Service charge	Operating costs recovered on triple-net leases	Centre service charge and marketing levy	Estate charges for security and roads
Property tax	Council rates paid by landlord, often recovered; 15% presumptive tax on gross rent borne by landlord	Same as Office	Same as Office
Utilities	Tenant-paid; back-up power, solar and boreholes are key differentiators	Tenant-paid	Tenant-paid; power reliability is critical
Insurance	Landlord insures structure; tenant insures contents and liability	Same as Office	Same as Office

Source: CBRE Excellerate Research; Commercial Premises (Lease Control) Act; ZIMRA guidance (Finance Act, 2025). Market practice: indicative and deal-specific.

Fit-out and handover: suburban offices are delivered shell or fitted, with fit-outs typically taking one to three months

Handover condition, fit-out and reinstatement norms.

Item	Office	Retail	Industrial
Handover condition	Shell or fitted, depending on building	Shell; tenant completes shopfront and fit-out	Shell warehouse with basic services
Fit-out period	1–3 months	1–3 months; longer for anchors	1–3 months, depending on racking and power
Fit-out cost range	Tenant-funded; imported materials raise costs	Tenant-funded; brand standards drive cost	Tenant-funded
Reinstatement	Usually required unless agreed otherwise	Typically required in managed centres	Required where specialised works were undertaken

Source: CBRE Excellerate Research; Commercial Premises (Lease Control) Act; ZIMRA guidance (Finance Act, 2025). Market practice: indicative and deal-specific.

Transaction costs: agent commission is typically up to one month’s rent, and leases over ten years must be registered

One-off costs incurred when concluding a lease.

Item	Office	Retail	Industrial
Brokerage fee	Typically 50–100% of one month’s rent	Same as Office	Same as Office
Legal fees	Each party typically bears its own costs	Same as Office	Same as Office
Stamp duty / registration	Leases over 10 years registered at the Deeds Registry; confirm stamp duty with ZIMRA	Same as Office	Same as Office
Reservation deposit	Not standard; used for pre-lets	Used in centre pre-letting	Used for build-to-suit

Source: CBRE Excellerate Research; Commercial Premises (Lease Control) Act; ZIMRA guidance (Finance Act, 2025). Market practice: indicative and deal-specific.

Operational terms: suburban parks offer parking, security and back-up power, while CBD buildings are constrained

Day-to-day operating terms that shape occupier decisions.

Item	Office	Retail	Industrial
Parking ratio	Strong in suburban parks; constrained in the CBD	Customer parking is a key driver	Yard and truck access are key
Operating hours	Business hours; 24/7 access in Grade A	Centres set trading hours	Often extended, subject to estate rules
Cleaning responsibility	Tenant internal; landlord common areas via operating costs	Same as Office	Tenant internal; estate common areas
Building access	Access control and on-site security standard	Governed by centre security	Gated estates with controlled truck access

Source: CBRE Excellerate Research; Commercial Premises (Lease Control) Act; ZIMRA guidance (Finance Act, 2025). Market practice: indicative and deal-specific.

— Market Outlook



Outlook: selective opportunities in suburban Grade A offices, modern warehousing and managed convenience retail



Highlighted: current positions. Office: market at trough; industrial: growth accelerating; retail: growth moderating.



Office

Property cycle position: Market at Trough

The market is sharply split: CBD vacancy of 40–60% contrasts with well-let suburban Grade A space in Borrowdale, Avondale and Mount Pleasant.

Outlook: Demand will keep migrating to secure suburban parks with back-up power; CBD owners are repositioning stock for SMEs and alternative uses.



Industrial

Property cycle position: Market Growth Accelerating

Gold, lithium and import-distribution activity support demand for modern warehousing, with new logistics space in Pomona achieving rents above US\$8/sqm.

Outlook: Modern, well-located units in Pomona and Msasa should outperform older factory stock; El Niño-related power shortages in 2027 are the main risk.



Retail

Property cycle position: Market Growth Moderating

REIT-owned convenience centres report about 97% occupancy, supported by low inflation and US\$ earnings, while CBD retail faces informal competition.

Outlook: Managed suburban centres and precincts such as Highland Park should hold their rents; slower growth in 2027 will temper consumer spending.

Source: CBRE Excellerate Research; Oxford Economics Africa (2026). Property cycle positions are indicative house views; they are not guarantees of future performance.

Disclaimer and methodology

DATA SOURCES

- Oxford Economics Africa, Country Economic Forecast Zimbabwe (2026): GDP, inflation, policy rate, exchange rate, fiscal and external indicators.
- CBRE Excellerate Africa real estate database: graded asking-rent evidence for Harare, plus published benchmarks and listed REIT and property company disclosures.
- ZIMSTAT, Reserve Bank of Zimbabwe, IMF and ZIMRA guidance.

KPI METHODOLOGY

- Rents are indicative H1 2026 headline rents per sqm per month for institutional-grade assets, excluding VAT and service charge, quoted in US\$ with ZiG equivalents at ZiG 26.2/US\$.
- Vacancy, stock, pipeline and yields are indicative institutional-grade benchmarks, not total-market statistics.
- Property cycle positions and outlook statements are CBRE Excellerate house views based on the latest available evidence.

DATA NOTES

- Harare lacks a single consolidated public dataset for stock, vacancy and pipelines; where figures could not be verified across sources they are marked as indicative.
- Typical market practice reflects observed lease terms and legislation, and is deal-specific.
- Data as at H1 2026 unless otherwise stated; F = forecast.

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Market intelligence has been compiled from a range of publicly available real estate research publications, brokerage reports, industry databases and macroeconomic sources. Where information cannot be independently verified across multiple sources, figures should be considered indicative of prevailing market conditions rather than definitive measurements.

Thank you

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