

August 2024

  
**SPOTLIGHT**  
*Savills Research*

# Warehouse and industrial market in Poland



## Prospects for the market – an expert's view

While in the first quarter of the current year the occupier market continued the downward trend from the bearish 2023 and demand remained muted, during the April – June period tenant activity bounced back which, we believe, bodes well for the coming months. For the last couple of months, we have observed the reviving interest from international tenants, bolstered by the economic recovery across Europe and an upturn in the consumer confidence.

Underpinned by solid market fundamentals, the warehousing sector in Poland will continue to benefit from both long-term mega-trends and the new directions of industrial activity (nearshoring / reshoring / friendsourcing). In particular, Poland stands to be a magnet for manufacturing companies that are struggling to be competitive in their home markets and are seeking operational efficiency. Unlike the more saturated markets, Poland still has a blend of very attractive drivers to offer – from a wide land availability, through lower construction costs to favourable costs of work.

Notably, the stabilisation of rental levels, evident since the end of the previous year, enables tenants to control their costs and plan long-term development. We are seeing that companies whom we support throughout the entire process – from purchasing the investment land, obtaining state aid, and delivering a facility that meets technical requirements, are recognizing all these factors as decisive, with cost-effectiveness and climate sustainability of industrial & logistics developments being of crucial importance.



**Katarzyna Pyś-Fabiańczyk**  
Head of Industrial Services Hub

# H1 2024 – key data



**33.52 million sq m**

Stock of modern warehouse & industrial space in Poland



**1.99 million sq m**

Under construction (down by 7% y-o-y)



**2.64 million sq m**

Gross take-up (up by 19% y-o-y)



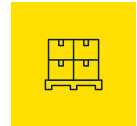
**1.64 million sq m**

New supply (down by 37% y-o-y)



**8.1%**

Vacancy rate (up by 1.6 pp y-o-y)



**1.61 million sq m**

Net take-up (up by 18% y-o-y)

## Revival ahead, after the sluggish beginning of the year?

### Economic brief

In 2023, Poland's economy stagnated, as GDP experienced a marginal uptick of 0.2%. In Q1 2024, the economy began to rebound, reporting growth of 2.0% y-o-y, according to estimates by Statistics Poland. Oxford Economics in their prognosis from June 2024, expects Poland's GDP to develop by 2.4% and 3.9%, respectively in 2024 and 2025.

In 2023, retail sales weakened considerably in response to strong inflationary pressure and economic stagnation, contracting by 2.7% y-o-y. Since the beginning of the current year, retail sales have been recovering, growing by 4.9% y-o-y in H1 2024. Online sales climbed 7.9% y-o-y between January and June 2024. The share of online sales averaged 8.5% of the total retail volume, slightly above the H1 2023 figure.

After peaking at 18.4% y-o-y in February 2023, inflation has decelerated gradually to 6.2% y-o-y in December last year, with annual inflation averaging 11.4% in 2023. In H1 2024, the average inflation slowed down to 2.7% y-o-y.

In 2023, annual industrial production in Poland dwindled by 1.5% y-o-y and continued to contract – by 0.9% – in Q1 2024,

while in Q2 2024 it bounced back by a modest 0.7%.

### Stock and new supply

At the end of H1 2024, modern warehouse and industrial stock across Poland reached 33.52 million sq m. One-fifth of the operating space is concentrated in Warsaw and its greater area and a further 53% are located in the following four major markets – Upper Silesia, Central Poland, Wrocław, and Poznań. Among secondary markets, Western Poland stood at 2.34 million sq m and has grown by as much as 18% in the past 12 months. Four other secondary warehouse hubs have crossed the 1 million sq m threshold: Tricity, Szczecin, Kraków, and Eastern Poland.

In H1 2024, approx. 1.64 million sq m of new industrial space was added to the market which is a sharp fall of 37% once compared to the volume of new supply delivered in H1 2023. The occupancy rate in new deliveries averaged 54% at completion.

The largest volumes of new space were delivered in Wrocław (373,200 sq m), the Tricity (239,500 sq m), and Warsaw (220,900 sq m of which 68% was completed in Warsaw II). Among the largest projects delivered in H1 2024 are CTPark Gdańsk Port (119,400 sq m), Panattoni Park

Wrocław Logistics South Hub (90,000 sq m), GLP Wrocław V Logistics Centre (86,200 sq m), and CTPark Warsaw South (67,400 sq m).

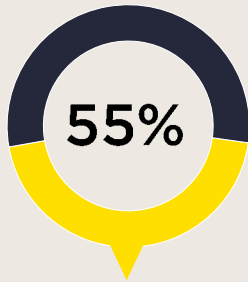
### Developer activity

At the end of June 2024, around 1.99 million sq m of new industrial and logistics space was under construction which reflected a 7% drop y-o-y and a contraction of 15% q-o-q. In H1 2024, construction of 815,800 sq m of new space commenced, 46% lower than in the same period last year.

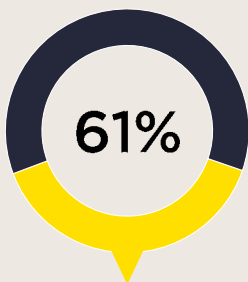
Hubs with the highest volumes of space under construction are Wrocław (519,100 sq m), Warsaw I&II zones (410,100 sq m, with 90% being developed in the greater area of the city), and Central Poland (322,300 sq m).

Among the largest projects in construction are P3 Wrocław (265,100 sq m) – a BTS project for a global e-commerce operator, CTPark Warsaw West (110,400 sq m) – BTS for Raben Logistics, ECE Kąty Wrocławskie (79,000 sq m), and Hillwood Zgierz II (76,900 sq m).

At the end of June 2024, the pre-let ratio averaged 55% – higher by 4 pp once compared to the figure reported at the end of the previous year, and up by 15 pp y-o-y.

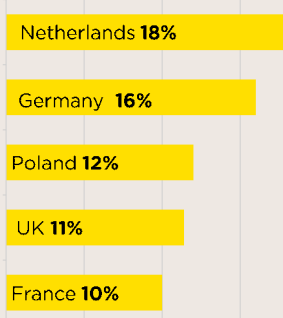


Pre-let ratio in under construction projects  
(H1 2024)



Share of net take-up  
(H1 2024)

### H1 2024 take-up in Europe Top5 country markets



### Demand

After a sluggish start to the year, Q2 2024 saw a marked revival in tenant activity, bringing total gross take-up to 2.64 million sq m in H1, up by 19% y-o-y. Net demand (new leases and expansions of space) jumped by 18% compared to the same period a year earlier.

Major lease contracts include a new commitment of 126,000 sq m by a global e-commerce platform in Panattoni Park Wrocław Logistics South Hub, a new contract of 104,000 sq m in Bydgoszcz Białe Błota Logistics Centre by a leading Polish fashion retailer (LPP), and a 98,000 sq m renewal + expansion deal by LX Pantos in Prime Logistics Wrocław.

The key five markets attracted 80% of gross take-up, with Wrocław (19% of the total demand), Warsaw (19%), and Poland Central (16%) leading among the most sought-after locations.

In H1 2024, net absorption amounted to 1.2 million sq m, down by 30% y-o-y. The Q2 figure, however, demonstrated a 28% growth on the previous quarter.

### Availability of space

At the end of June 2024, around 2.72 million sq m of industrial space was available

for immediate occupation, which is an equivalent of approx. 8.1% vacancy, a climb of 1.6 pp y-o-y. After significant leaps in the vacancy rate noted over the previous couple of quarters, in Q2 2024 it increased only marginally - by 10 bps q-o-q.

The highest vacancy rates were reported in Western Poland (21.8%, +5.3 pp q-o-q), Central Poland (10.7%, +6.0 bps q-o-q), and Lublin (10.4%, +2.6 pp q-o-q). The markets with the largest volumes of speculative developments (newly developed or progressing) are seeing the sharpest increases in the vacancy rate.

The largest volumes of unoccupied space were reported in Western Poland and Warsaw II zones - more than 500,000 sq m each - which made up 40% of the total country's vacant area.

The lowest availability of space was noted in the two emerging sub-markets of Eastern Poland: Białystok (lack of available space) and Rzeszów (1.6%). In the past 12 months, the sharpest decline in vacancies was reported in Szczecin - from 7.4% to 4.0% at the end of June 2024. On the other hand, the availability of space has increased in Kraków (a vacancy rate of 6.3%) and Tricity (6.8%) - the two markets that benefited from the lowest vacancy rates in the past.

### Rents

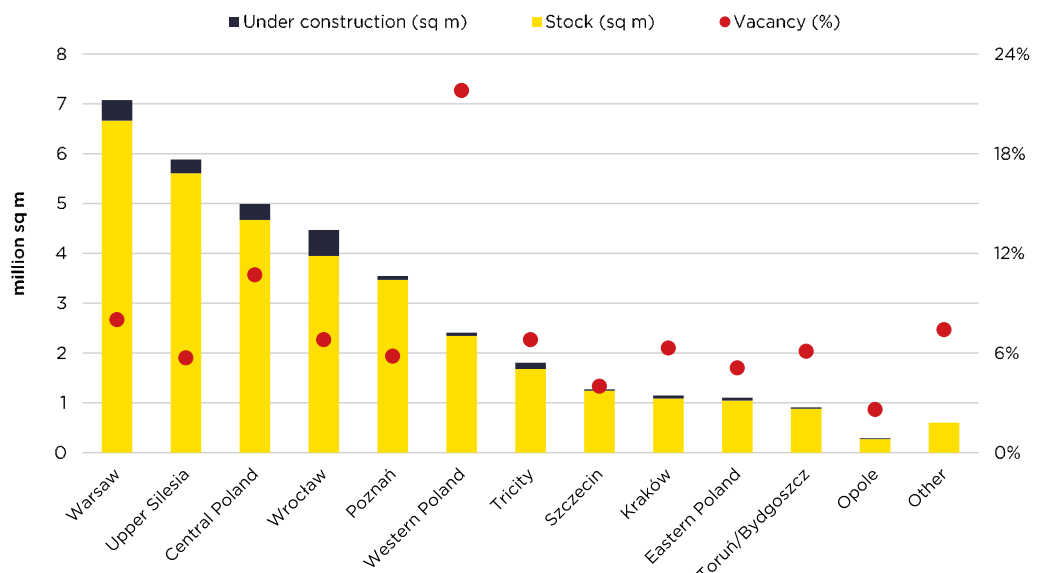
After steep surges in rental levels recorded over 2022 and H1 2023, since autumn 2023 the pace of growth has moderated, and rental levels have stabilised on most of the markets.

In the course of January - June, rents remained relatively unchanged, with minor upwards evident only for prime projects in the most sought-after locations. At the end of H1 2024, headline rents for standard big box units ranged between €3.50 and €6.50/sq m/month. The highest rental levels are usually in Warsaw city (up to €6.50/sq m/month for a standard space), while Kraków (up to €5.80/sq m/month) and the Tricity (up to €5.50/sq m/month) have followed trends seen in the capital. Small business units of less than 1,000 sq m are traded at higher rents.

Effective rents spanned €3.00 - €5.75/per sq m/month for multi-tenant and big box type units and even higher for SBU. Rents for high technical specification assets (e.g. production facilities) or BTS schemes achieve higher levels and are dependent of the level of improvements applied.

Offices within industrial halls are offered at €10.00 - €12.50/sq m/month, occasionally reaching €13.00.

### Stock, under construction and vacancy, H1 2024



Source Savills Research



## Wyszukiwarka powierzchni magazynowych

Savills zapewnia kompleksowe doradztwo dla najemców, deweloperów i właścicieli nieruchomości magazynowych.

[warehousemarket.pl](https://warehousemarket.pl)



**For further information please contact:**



**Katarzyna Pyś-Fabianczyk**  
Head of Industrial Services Hub  
+48 604 169 569  
[katarzyna.pys-fabianczyk@savills.pl](mailto:katarzyna.pys-fabianczyk@savills.pl)



**Rafał Bochenek**  
Land Acquisition Manager  
+48 667 817 322  
[rafal.bochenek@savills.pl](mailto:rafal.bochenek@savills.pl)



**Wioleta Wojtczak**  
Head of Research  
+48 600 422 216  
[wwojtczak@savills.pl](mailto:wwojtczak@savills.pl)



**Patrycja Dzikowska**  
Associate Director  
+48 602 452 549  
[patrycja.dzikowska@savills.pl](mailto:patrycja.dzikowska@savills.pl)

Savills sp. z o.o. is a daughter company of Savills plc. Savills plc is a global real estate services provider listed on the London Stock Exchange. We have an international network of over 700 offices and associates and over 40,000 staff throughout the Americas, Europe, Asia Pacific, Africa and the Middle East, offering a broad range of specialist advisory, management and transactional services to clients all over the world.

All rights reserved to Savills sp. z o.o. The material was prepared by Savills sp. z o.o. This publication is for general informative purposes only. Our company accepts no liability for the content of this publication, nor for the consequences of any actions taken on the basis of the information provided, unless that information is subsequently confirmed in writing. It shall not be copied, modified or used in part or in whole, nor shall it be used as a basis for any contract, prospectus, agreement or other document without prior consent from Savills sp. z o.o. Whilst every effort has been made to ensure its accuracy, Savills sp. z o.o. accepts no liability whatsoever for any loss arising from its use. The content is strictly copyright and reproduction of the whole or part of it in any form is prohibited without written permission from Savills sp. z o.o.



Savills sp. z o.o., al. Jana Pawła II 22, 00-133 Warszawa  
+48 22 222 4000, [savills.pl](https://savills.pl)

**savills**