

Updated quarterly, our dashboards provide a concise synopsis of occupier activity in Europe's markets.



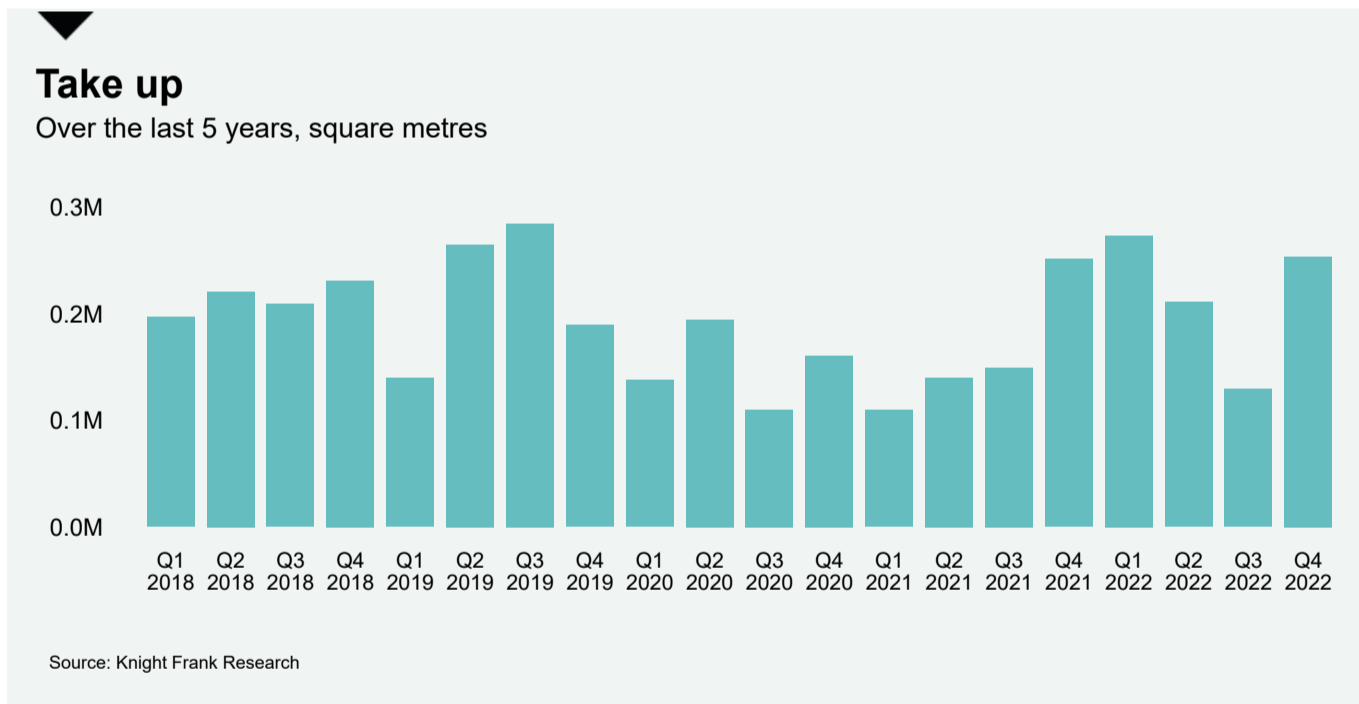
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# Warsaw Office Market

Research, Q4 2022

## OCCUPIER MARKET HEADLINE FIGURES

| TAKE UP        |             | VACANCY RATE |              | PRIME RENT   |             |
|----------------|-------------|--------------|--------------|--------------|-------------|
| <b>253,310</b> | <b>1.0%</b> | <b>11.6%</b> | <b>10.3%</b> | <b>€ 312</b> | <b>4.0%</b> |
| SQM            | YOY CHANGE  | RATE         | 5 YR AVERAGE | RENT (PSQM)  | YOY CHANGE  |



## OCCUPIER HEADLINES

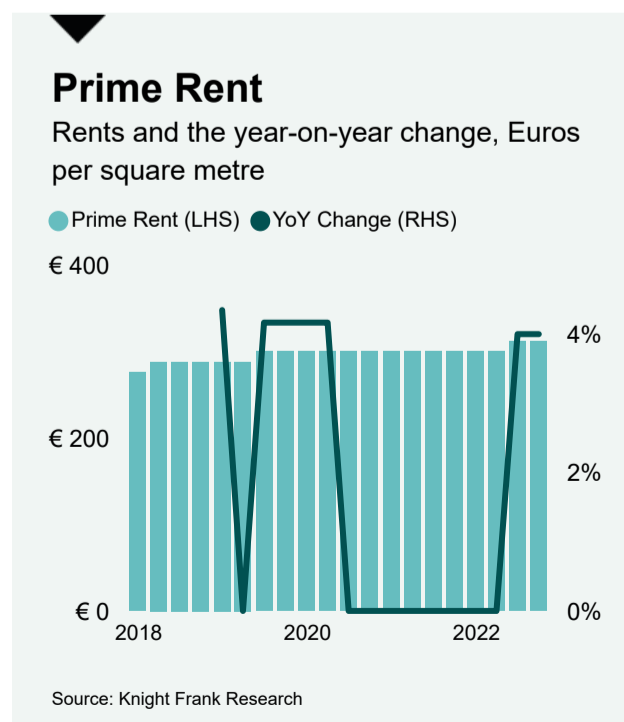
Overall, 2022 saw a significant improvement in tenant sentiment in the Warsaw office market, with the weaker pandemic demand less and less visible with each passing quarter.

Take-up was strong in the fourth quarter of the year at 253,310 sqm, bringing total take-up for the year to 866,166 sqm. This represents a 33% increase from 2021 and is well within the levels seen in pre-pandemic years.

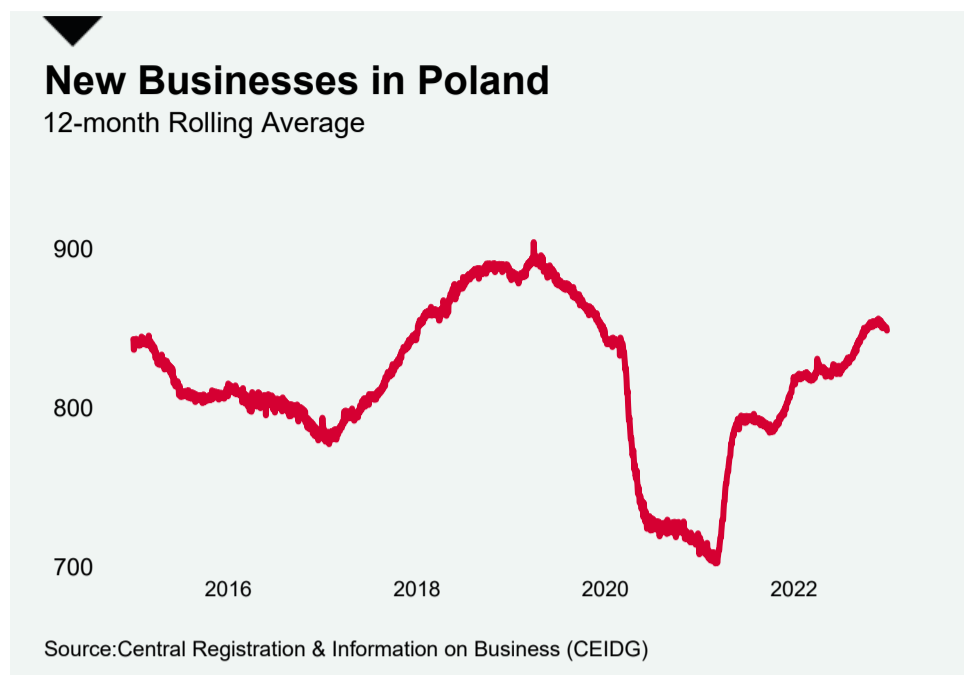
Economic uncertainty and high fit-out costs are discouraging some tenants from relocating and expanding, affecting the take-up structure. As a result, the share of renegotiations grew, recorded at 40% of signed deals in 2022, while the number of new agreements and expansions fell.

As a result of the high tenant activity in the Warsaw office market, and also due to the low new supply seen in 2022, the vacancy rate in Warsaw stood at just under 11.6% at the end of 2022, a 9% drop from Q4 2021.

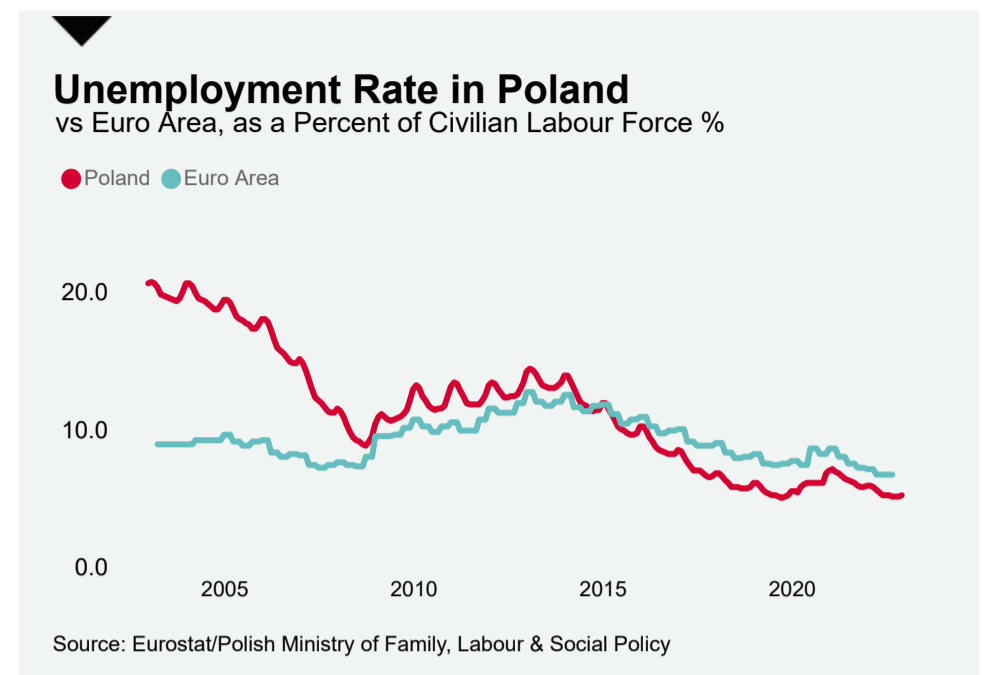
Developer activity in 2022 remained at a relatively low level, in large part due to a reduced willingness to start construction as the cost of financing grows.



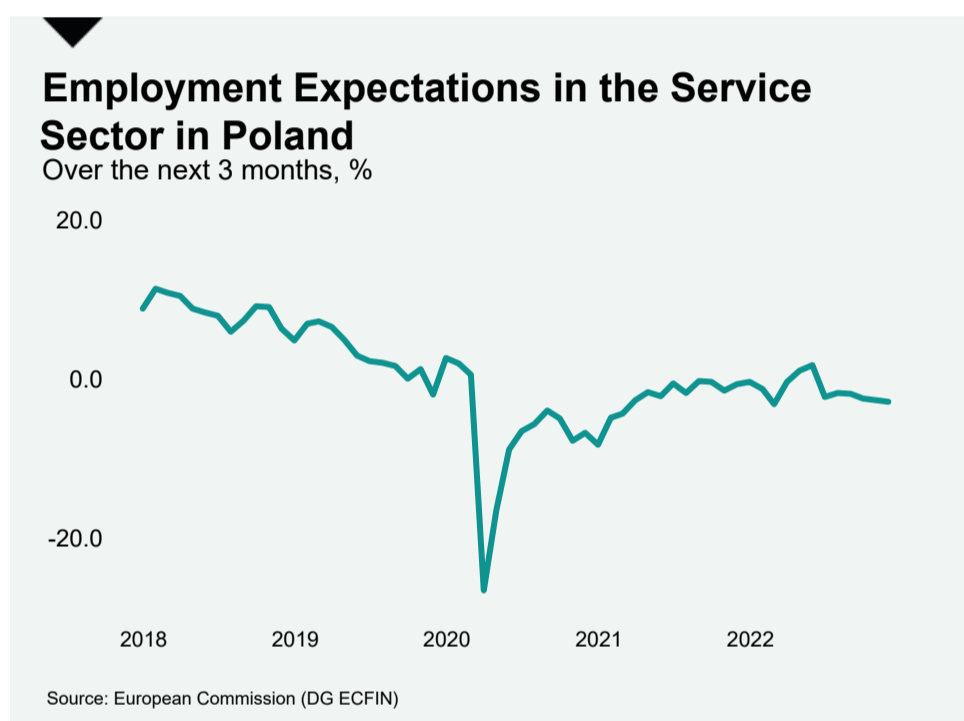
## ECONOMIC INDICATORS



After a slump in new business starts during the pandemic in Poland, activity has approached pre-COVID peaks in recent months.



The unemployment rate in Poland ticked upwards to 5.2% in December from lows of 5.1% in the three previous months. As demand for labour softens, particularly in interest-intensive sectors, unemployment is expected to increase slightly and peak around 6% in 2023.



With the current economic climate, the labour market continues to show signs of cooling.



Service sector confidence in Poland fell in October but has since improved slightly, and while negative, it still remains above lows seen in 2020.

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you

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