

# Strong cities



City attractiveness, office market, HR trends

Q1 2025

The office market sentiment, the investment potential of the city and the labour market.

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## Wrocław

Prepared  
in cooperation with



Wrocław Agglomeration  
Development Agency

Michael Page

# Wrocław



City area  
**293 sq km**



Population  
**893,500**  
(University of Wrocław, 2024)



Population of the agglomeration  
**1.200,000**  
(Wrocław City Hall, 2025)



Migration balance  
**(+) 1.4** (06.2024, GUS)



Unemployment rate  
**1.8%**  
(03.2025, GUS)



GDP growth  
**8.5%**



GDP per capita  
**PLN 104,360**  
(gross)



Average salary (gross)  
**PLN 9,949.44**  
(in the business sector,  
03.2025, GUS)

## Investment attractiveness

Rankings

**1<sup>ST</sup>**  
**PLACE**

in fDi's **Mid-Sized European Cities of the Future 2025 - Overall**

**1<sup>ST</sup>**  
**PLACE**

in fDi's **Mid-Sized European Cities of the Future 2025 - Business Friendliness**

**1<sup>ST</sup>**  
**PLACE**

in Poland, No. 2 in Europe, No. 8 in the world in **rising star among technology hubs category**, according to the „The next generation of tech ecosystems” report compiled by Dealroom

**2<sup>ND</sup>**  
**PLACE**

in Poland in the ranking by **number of people employed in IT** according to the ABSL report "Business Services Sector in Poland 2024"

**2<sup>ND</sup>**  
**PLACE**

in „**Polish Startups 2023**” compiled by the Startup Poland Foundation

**2<sup>ND</sup>**  
**PLACE**

in fDi's **Mid-Sized European Cities of the Future 2025 - FDI Strategy and Economic Potential**

**2<sup>ND</sup>**  
**PLACE**

in **Business Environment Assessment Study (BEAS) 2024**



## Investment incentives

"One stop shop" - Investment process support from the Wrocław Agglomeration Development Agency.

Real estate tax exemption in case of investments in a photovoltaic installation, heat pump, recuperator, ground heat exchanger, solar collector.

Accelerator programmes: Concordia Design Accelerator, Accel Boost, Startup Booster for Social Impact.

Real estate tax exemptions in Wrocław.

Lower Silesian Special Economic Zones.

# Quality of life

Rankings

1<sup>ST</sup>

PLACE

in fDi's **Mid-Sized European Cities of the Future 2024**  
- Human Capital and Lifestyle

Wrocław listed among the 100 cities of the EU mission, „100 Climate Neutral and Smart Cities by 2030”

## Research and development potential in the Wrocław agglomeration

### 1) High concentration of R&D companies

Wrocław has 11% of Polish companies with the status of R&D center granted by the Ministry of Development and Technology.

### 2) Diversity of R&D business fields

Companies in Wrocław conduct R&D activities in a wide range of fields, such as engineering and manufacturing, information technology, chemicals and materials, energy, and medicine. This diversification contributes to the creation of innovative solutions in various sectors.

### 3) Innovative start-ups

Wrocław is the leader in Poland in terms of the number of start-ups, 28% of all Polish start-ups are registered in Lower Silesia, with the vast majority in Wrocław.

### 4) Significant role of universities

There are 30 universities in Wrocław, which educate more than 105,000 students, of which more than 42,000 are in fields of study that are key to R&D.

### 5) High rating of educational potential

64% of companies rate the educational potential of Wrocław universities in the context of R&D cooperation as good or very good. Students have access to numerous internship and traineeship programs at companies such as Selena, Mikroel, LG Energy Solution Wrocław, Hasco-Lek, among others, which fosters the development of practical skills.

### 6) Highly qualified human resources

Sixty percent of companies rate the availability of qualified R&D specialists as good or very good. High levels of education, creativity and innovation, and knowledge of modern technologies are the main strengths of Wrocław's human resources.

### 7) Dynamic growth of the R&D sector

At the turn of the last few years, the R&D sector in Lower Silesia has experienced dynamic growth, as reflected, among other things, in a 34 percent increase in the number of entities engaged in research and development activities.

Read more about the research and development potential in the Wrocław agglomeration in the latest report. →



Bike paths  
**1400 km**



Green areas  
**~41% of the total city area**

## Facts & Figures



Number of students  
**106,116**



Number of graduates  
**26,094**



Number of universities  
**30**



Airport - distance to the city centre  
**10 km**



Airport - number of passengers  
**4,500,000** (2025)



R&D sector - number of research centers and departments  
**400**



R&D sector - number of employed  
**13,000**



STEM - chart your future

RATING AGENCY

Moody's

RATING

A-

# Wrocław

Q1 2025



Existing stock  
● **1.36m** sq m



Supply  
under construction  
↓ **26 000** sq m



Vacancy rate  
↑ **20.4%**



New supply  
↓ **0** sq m



Take-up  
↑ **44,000** sq m

## Standard lease terms in new buildings



Service charge  
PLN/sq m/month  
**16.00-31.00**



Rent-free period  
**1.5** month  
for each contract year



Fit-out budget  
EUR/sq m  
**450.00-550.00**

► Wrocław, following Warsaw and Krakow, is the third-largest office market in Poland with total office space reaching 1.36m sq m. In Q1 2025 demand for office area remained robust as the leased office space amounted to 44,000 sq m, representing the second-highest volume among regional cities. Despite the absence of new supply, the vacancy rate reached an unprecedented high of 20.4%. However, the constrained development pipeline and stable take-up are expected to lead to a gradual decrease in vacancy levels in the near future.

### SUPPLY

At the end of Q1 2025, Wrocław's stock office reached 1.36m sq m, representing 10% of the total stock in Poland.

Development activity remains limited, with no new office schemes delivered to the market since the beginning of the year. Currently, 26,000 sq m of modern office space is under construction across two projects. The most significant is Swobodna Spot I, a 16,000 sq m development by Echo Investment, with planned completion in early 2026.

### TAKE-UP

In Q1 2025, tenants leased nearly 44,000 sq m of office space in Wrocław, marking a significant increase of 75% compared to the same period in 2024 and representing the second-highest result among regional cities.

In Q1 2025, renegotiations constituted the largest share of the leasing volume in Wrocław, accounting for over 71% of the space let. The proportion of new leases decreased to 18%, compared to the 36% recorded in 2024. A positive indicator for the local market is the increase in expansion agreements, which represented 11% of the total. No owner-occupier lease agreements were concluded in Q1 2025.

### VACANCY RATE

At the end of the March 2025, the vacancy rate in Wrocław reached 20.4%, marking the highest level in market's history. This represents an increase of 1.1 pp compared to the previous quarter and 1.3 pp compared to the corresponding period of the previous year. However, low development activity combined with stable take-up may contribute to a gradual decrease in the vacancy rate in the upcoming quarters.

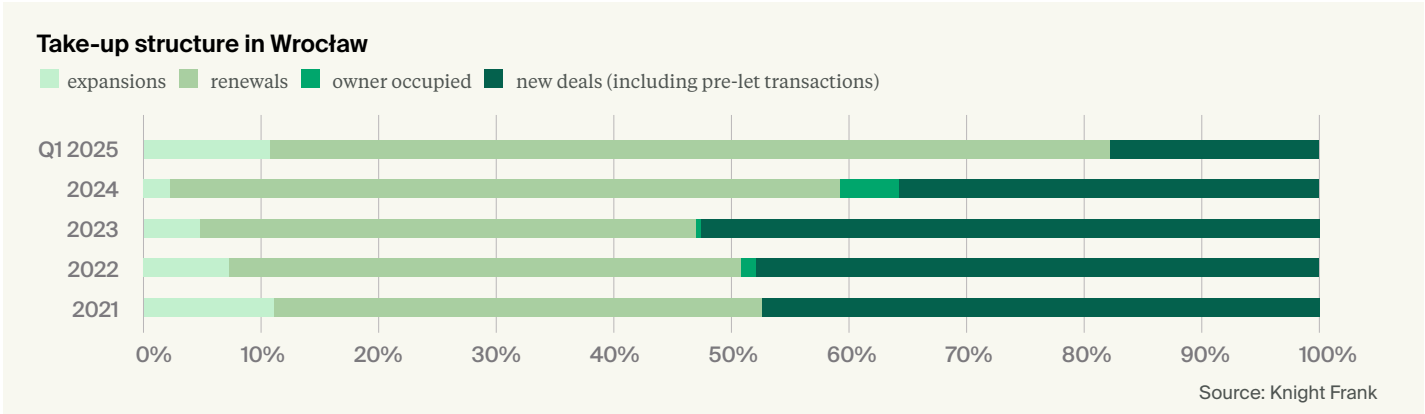
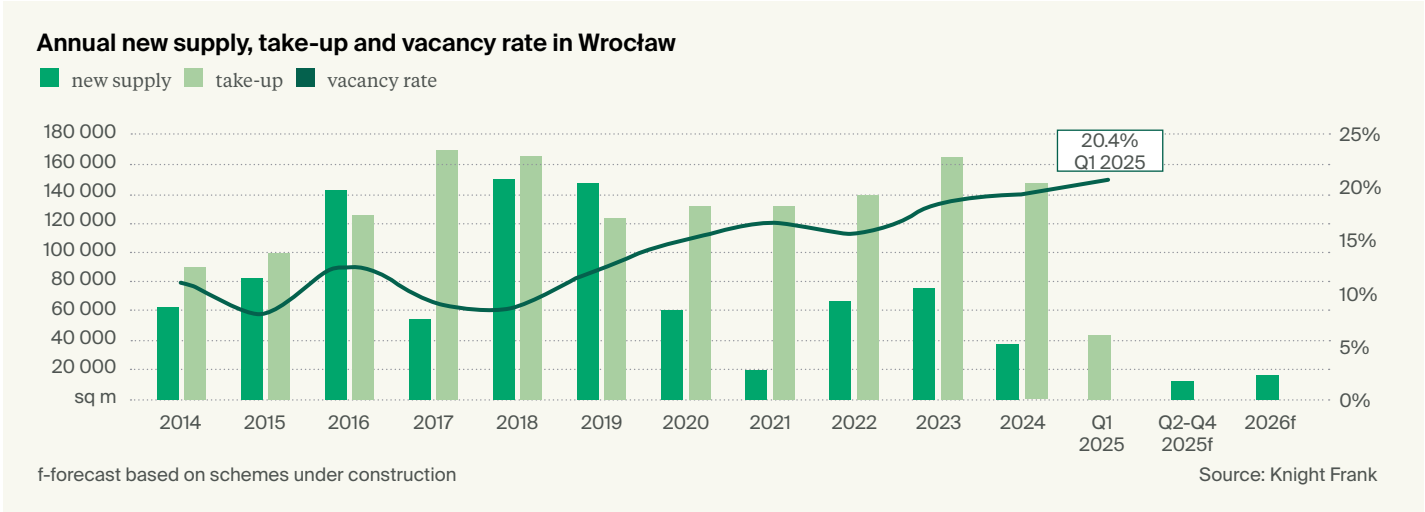
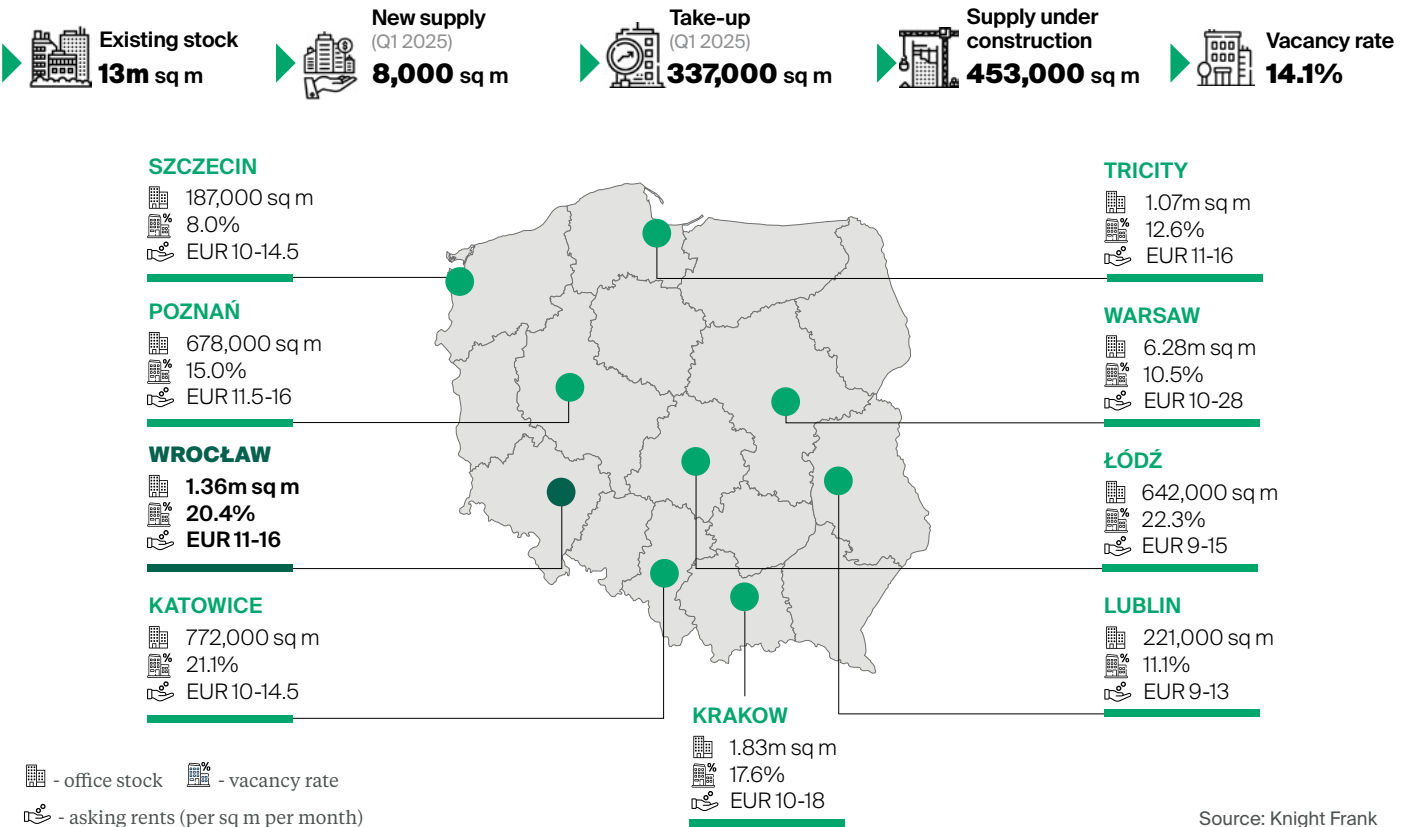
### RENTS

At the end of Q1 2025, asking rents for office space in Wrocław ranged from EUR 11.00 to 16.00/sq m/month. Service charges remained stable, ranging between PLN 16.00 and 31.00/sq m/month.



# Office market in Poland

Q1 2025



# Up to 44% of Polish construction and real estate companies may soon face the succession challenge.

- The real estate market in Poland is experiencing a notable slowdown and, according to many analysts, is currently characterized by considerable uncertainty. Companies are increasingly recognizing a range of challenges, extending beyond demand stimulation or general economic conditions. Business owners are placing significant emphasis on leadership competencies, which they believe will be critical in navigating potential market downturns. According to experts at Michael Page, the industry is at a pivotal moment of profound transformation, already impacting executive teams within development companies. The topic of succession is becoming a frequent focus in discussions with clients in this sector.

A recent report by Bank Pekao identifies construction and real estate services as two of the most significant sectors of the Polish economy, both heavily dominated by domestic private capital accounting for approximately 75% of total industry revenues in each case. These sectors are now facing a multitude of challenges, no longer limited to macroeconomic cycles. Increasingly, governance issues are emerging, particularly the impact of demographic shifts and generational change at senior leadership levels. In 2023, of the 673,000 entrepreneurs operating in Poland's construction and real estate sectors, as many as 299,000 were over the age of 50, many of whom are actively considering the transition of power and responsibility.

*- The importance of succession has grown significantly in recent years. Not long ago, companies proactively seeking advisory support for succession planning were rare exceptions. Over the past two years, however, the number of such cases has increased severalfold. Given the demographic trends, we can confidently*

**"Around 75 % of revenues in the construction and real estate services sectors come from domestic private capital."**

*assume that this is only the beginning of a broader shift – comments Krzysztof Butyński, Senior Associate Executive Manager.* He adds that Michael Page completed four succession processes last year, and in the first quarter of 2025 alone, that number has already been matched.

*– It is estimated that there may currently be up to 45,000 entrepreneurs in the construction and real estate sectors who have already reached retirement age. Many of these individuals have been in business for decades and view succession as a natural step in their company's evolution, though one that is often complex. While they may wish to maintain influence within the organization, the experience gained during periods of growth does not always translate easily into today's market environment, which demands managing*



**"Over 45,000 business owners in the construction and real estate sectors have already passed retirement age."**

*more dynamic structures and navigating the expectations of a demanding Generation Z workforce. Today's business landscape calls for agility, energy, and a fresh perspective – qualities that not all senior leaders may still possess – Butyński observes.*



## TRUST: THE CORNERSTONE OF SUCCESSFUL SUCCESSION

According to data from Bank Pekao, only 20% of family business owners report no difficulty in executing succession plans. Conversely, up to 60% acknowledge that their intended successors may lack the necessary leadership competencies. An additional perspective comes from the successors themselves - 67% of them believe assuming a leadership or executive role will be a significant challenge<sup>1</sup>.

**"As many as 85% of potential successors have no interest in taking over the family business."**

Further complicating the picture, as many as 85% of next-generation family members express a lack of interest in taking over the family business, indicating reluctance to assume leadership responsibilities. This creates a fundamental dilemma for owners - should they sell the business or recruit a qualified external candidate to take the reins? It is a

question that more companies are increasingly forced to address and one without a definitive answer.

**"Even family-run businesses with rich, deep-rooted traditions are opening their doors to leadership from outside the inner circle."**

*– The situation presents a considerable challenge not only for current owners and founders but also sends a strong signal to the broader market. Even in legacy family businesses with deep-rooted traditions, there is growing openness to external candidates who possess the right qualifications and can earn the trust of the outgoing leadership. It is important to recognize that succession of this nature is one of the most critical and complex recruitment processes a company will face. Fortunately, business owners do not have to navigate this journey alone. At Michael Page, our extensive experience allows us to support clients effectively and address the many nuances involved. Returning to the core question - sell or recruit? Conversations with our clients indicate a growing preference for the latter – Butyński emphasizes.*

It is also worth considering the opportunity from the candidate's perspective. Market data shows that average base salaries for top executive roles range from PLN 60,000 to PLN 80,000 per month, with salaries in listed companies often exceeding PLN 100,000.

*– In addition to this, candidates can expect various performance-related bonuses - both short-term and annual - amounting to as much as six times their monthly salary. Another common and highly effective approach to reinforcing loyalty and alignment is the inclusion of equity or stock options as part of a long-term incentive structure – Butyński explains.*

**"Top executive roles command average base salaries of PLN 60,000 to 80,000 per month."**

<sup>1</sup> Source: [https://www.pwc.pl/pl/pdf-nf/2024/NextGen\\_PL\\_2024\\_Raport\\_Polski\\_Sukcesor.pdf](https://www.pwc.pl/pl/pdf-nf/2024/NextGen_PL_2024_Raport_Polski_Sukcesor.pdf)

## Contacts

in Poland

+48 22 596 50 50  
[www.KnightFrank.com.pl](http://www.KnightFrank.com.pl)

**RESEARCH**  
Dorota Lachowska  
[dorota.lachowska@pl.knightfrank.com](mailto:dorota.lachowska@pl.knightfrank.com)

**COMMERCIAL AGENCY - WARSAW**  
T-REP Piotr Kalisz  
[piotr.kalisz@pl.knightfrank.com](mailto:piotr.kalisz@pl.knightfrank.com)

**CAPITAL MARKETS**  
Krzysztof Cipiur  
[krzysztof.cipiur@pl.knightfrank.com](mailto:krzysztof.cipiur@pl.knightfrank.com)

**VALUATION & ADVISORY**  
Małgorzata Krzystek  
[malgorzata.krzystek@pl.knightfrank.com](mailto:malgorzata.krzystek@pl.knightfrank.com)

**STRATEGIC CONSULTING EMEA**  
Marta Sobieszczak  
[marta.sobieszczak@pl.knightfrank.com](mailto:marta.sobieszczak@pl.knightfrank.com)

**INDUSTRIAL AGENCY**  
Natalia Mika  
[natalia.mika@pl.knightfrank.com](mailto:natalia.mika@pl.knightfrank.com)

As one of the largest and most experienced research teams operating across Polish commercial real estate markets, Knight Frank Poland provides strategic advice, forecasting and consultancy services to a wide range of commercial clients including developers, investment funds, financial and corporate institutions as well as private individuals. We offer:

- ▶ strategic consulting, independent forecasts and analysis adapted to clients' specific requirements,
- ▶ market reports and analysis available to the public,
- ▶ tailored presentations and market reports for clients.

Reports are produced on a quarterly basis and cover all sectors of commercial market (office, retail, industrial, hotel) in major Polish cities and regions (Warsaw, Kraków, Łódź, Poznań, Silesia, Tricity, Wrocław, Lublin, Szczecin) and PRS sector in Poland. Long-term presence in major local markets has allowed our research team to build in-depth expertise of socio-economic factors affecting real estate market in Poland.

Report  
library:



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Substantive preparation: Michał Kusy, Dorota Lachowska / Research / Knight Frank

Graphic design: Karolina Chodak-Brzozowska / Art Director / PR & Marketing / Knight Frank

### PARTNER OF THE PUBLICATION:



Wrocław Agglomeration  
Development Agency

#### CENTRUM WSPIERANIA BIZNESU:

[office@invest-in-wroclaw.pl](mailto:office@invest-in-wroclaw.pl)  
[www.invest-in-wroclaw.pl](http://www.invest-in-wroclaw.pl)

The Wrocław Agglomeration Development Agency is a company whose goal is to attract foreign investors, and thus create new jobs and increase economic region. The company also conducts extensive information and promotion activities for residents and implements projects supporting development and cooperation in the agglomeration.

## Michael Page

#### CONTACT:

**Krzysztof Tuszyński**  
Head of Engineering Practice Poland

+48 798 506 871  
[krzysztoftuszynski@michaelpage.pl](mailto:krzysztoftuszynski@michaelpage.pl)

[www.michaelpage.pl](http://www.michaelpage.pl)