

# Strong cities



City attractiveness, office market, HR trends

H1 2025

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

[knightfrank.com.pl/en/research](https://knightfrank.com.pl/en/research)



## Krakow

Prepared  
in cooperation with



CENTRUM  
Business in Małopolska

Michael Page

# Krakow



City area  
**327 sq km**



Population  
**809 200**



Population forecast  
**1.5m**



Unemployment rate  
**2,2%**  
(05.2025, GUS)



GDP growth  
**14.5%**  
(2022, GUS)



GPD per capita  
**PLN 130,184**  
(2022, GUS)



Average salary (gross)  
**PLN 10.764,64**  
(in the business sector,  
05.2025, GUS)

## Investment attractiveness

Rankings

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

**in the business friendliness category** of the fDi's European Cities and Regions of the Future 2025 ranking (among large cities)

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

**in the human capital and lifestyle category** of the fDi's European Cities and Regions of the Future 2025 ranking (among large cities)

**3<sup>RD</sup>**  
**PLACE**

**overall** in the fDi's European Cities and Regions of the Future 2025 ranking (among large cities)

**6<sup>TH</sup>**  
**PLACE**

**in the economic potential category** of the fDi's European Cities and Regions of the Future 2025 ranking (among large cities)

**20<sup>TH</sup>**  
**POSITION**

**in the TOP 100 Super Cities list** in the Tholons Global Innovation Index 2021

The title of Award in „**Municipality for 5!**” and the title of „**Golden Municipality for 5!**” in the 2023/24 edition of the ranking prepared by the Student Scientific Association of Acceleration, on behalf of the Institute of Entrepreneurship at the Warsaw School of Economics



## Investment incentives

Government Investment Support  
Program grants

Tax relief for R&D

Assistance under the EU Funds

Polish Investment Zone  
- income tax exemption

Support for business  
environment institutions

Real estate tax exemption

- incl. Business in Małopolska Centre



# Quality of life

Rankings

||||| The Krakow Old Town and Wawel Hill  
on the UNESCO World Heritage List

||||| European Capital of Culture 2000

||||| UNESCO City of Literature

||||| IFEA World Festival & Event City

## Quality of life in numbers

### CULTURE AND ENTERTAINMENT

- 400 cultural events annually
- Over 100 festivals and artistic-entertainment events annually (including the Jewish Culture Festival, Dragon Parade, Film Music Festival)
- More than 1000 monuments
- Over 100 museums and art galleries
- 16 theaters
- 12 cinemas
- Over 200 restaurants (20 awarded by the Michelin Guide in 2024)
- 15 regional products protected by EU regulations (including obwarzanek, oscypek, Krakow-style żurek, carp from Zator)

### TRANSPORT

- 27 tram lines and 173 bus lines
- 4 Fast Commuter Rail lines
- 317 km of bicycle paths
- 11m passengers handled in one year by Krakow-Balice Airport

### INFRASTRUCTURE

- 1.82m sq m of modern office space
- 190 hotels with 23,000 rooms (including 16 five-star hotels)
- Modern congress and entertainment infrastructure (including ICE Krakow Congress Centre with 5,200 seats, TAURON Arena Krakow – 24,000 seats)
- 2,000 business meetings annually, attended by over 300,000 people

### NATURAL ENVIRONMENT

- 75 parks, 43 pocket parks
- 21 community gardens
- 30 hectares of flower meadows
- 1,590 hectares of forests
- 80% of the city's residents have 5-minute access to green spaces



**Bike paths**  
**317 km**



**Green areas**  
**50,4%**  
of the cities area

## Facts & Figures



**Number of students**  
**132,000**  
(2023/2024, GUS)



**Number of graduates**  
**32,000**  
(2023/2024, GUS)



**Number of universities**  
**23**



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



**Airport - number of passengers**  
**11m** (2024)



**BSS sector - number of centres**  
**312**  
(ABSL 2025)



**BSS sector - number of employed**  
**107,800**  
(ABSL 2025)

RATING  
AGENCY

**S&P**

RATING

**A- (stable)**

# Krakow

H1 2025



Existing stock  
**↑ 1.83m sq m**



Supply under construction  
**↑ 64,000 sq m**



Vacancy rate  
**↓ 17.3%**



New supply  
**↓ 0 sq m**



Take-up  
**↑ 172,000 sq m**

## Coworking operators in Krakow

At Office | Business Link |  
 Chilliflex | CitySpace |  
 Regus | Loftmill | Cluster Offices

## Standard lease terms in new buildings



Service charge  
 PLN/sq m/month  
**16.00-29.00**



Rent-free period  
**1-1.75 month**  
 for each contract year



Fit-out budget  
 EUR/sq m  
**380.00-500.00**

► Krakow remains the second-largest office market in Poland, following Warsaw. The city's stock of modern office space has reached 1.83 million sq m, accounting for over 14% of the country's total supply. Take-up continues to perform strongly and surged to a record-breaking 172,000 sq m in the first half of 2025, with nearly 123,000 sq m leased in Q2 alone. Sustained tenant interest, coupled with limited new supply, is driving a continued decline in the vacancy rate, which stood at 17.3% at the end of Q2 2025.

### SUPPLY

The total office stock in Krakow reached 1.83 million sq m, maintaining the city's leading position among Poland's regional markets. No new buildings were delivered in the first half of the year. However, over 64,000 sq m of modern office space remains under construction scheduled for completion by the end of 2027. The largest ongoing development is Tischnera Green Park, a 24,000 sq m project led by Stalprodukt.

### TAKE-UP

In H1 2025, leasing activity totalled 172,000 sq m, with almost 123,000 sq m transacted in Q2 alone what is the highest quarterly take-up ever recorded on the Krakow office market. A significant majority of leases signed were renewals, which accounted for a record 71% of total leasing volume. New leases comprised 22%, while expansions remained stable at 7%.

Among the fifteen largest lease transactions in Krakow in 2025, fourteen were renewals of existing contracts. Notable deals included Aptiv in Enterprise Park A (14,300 sq m), Jacobs in its Krakow headquarters (11,000 sq m) and Euroclear Bank in Bonarka for Business (10,200 sq m).

Tenant preferences are clearly shifting toward high-standard buildings, which is reflected in the growing demand for sustainable and environmentally certified properties. In H1 2025, 85% of total leasing volume involved green-certified buildings, with 41% of this space located in properties holding the highest-level certifications – including BREEAM Excellent and Outstanding, as well as LEED Platinum.

### VACANCY RATE

The vacancy rate in Krakow has been consistently declining for nearly two years, reaching 17.3% at the end of Q2 2025. This represents a drop of 0.3 pp compared to the previous quarter and 2.9 pp y-o-y. Given the strong demand and the limited pipeline of new projects scheduled for delivery in 2025, further reductions in the vacancy rate are expected in the coming quarters.

### RENTS

As of the end of Q2 2025, headline rents in Krakow remained stable, typically ranging from EUR 10 to 18 per sq m/month. In prime, prestigious buildings, rates may exceed the upper end of this range. Service charges also remained steady, generally falling between PLN 16 and 29 per sq m/month.

# Office market in Poland

H1 2025



## SZCZECIN

187,000 sq m  
7.3%  
EUR 10-14.5

## POZNAŃ

678,000 sq m  
14.8%  
EUR 11.5-16

## WROCŁAW

1.36m sq m  
20.5%  
EUR 11-16

## KATOWICE

761,000 sq m  
22.7%  
EUR 10-14.5

## TRICITY

1.07m sq m  
12.7%  
EUR 11-16

## WARSAW

6.33m sq m  
10.8%  
EUR 10-28

## ŁÓDŹ

643,000 sq m  
21.6%  
EUR 9-15

## LUBLIN

221,000 sq m  
10.4%  
EUR 9-13

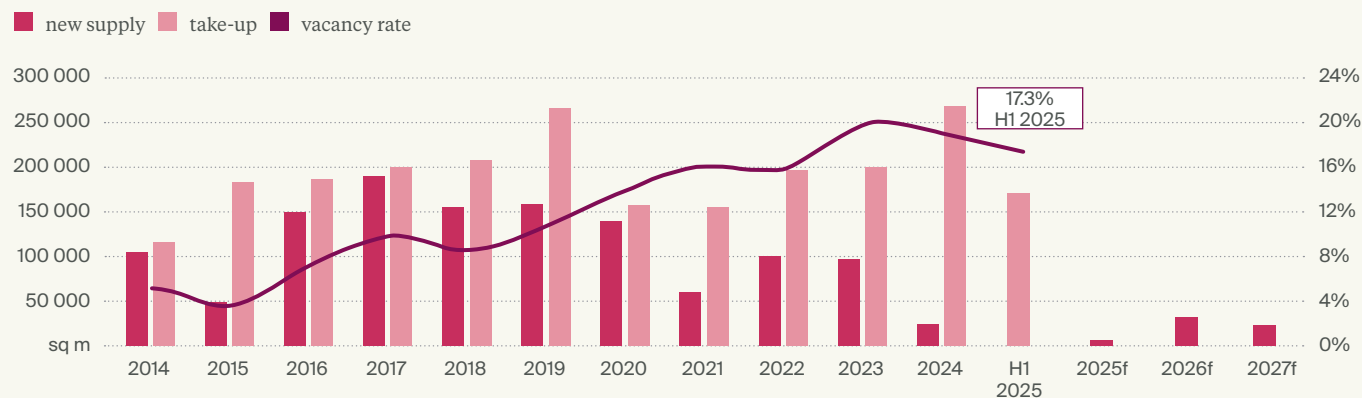
## KRAKOW

1.83m sq m  
17.3%  
EUR 10-18

office stock - vacancy rate  
asking rents (per sq m per month)

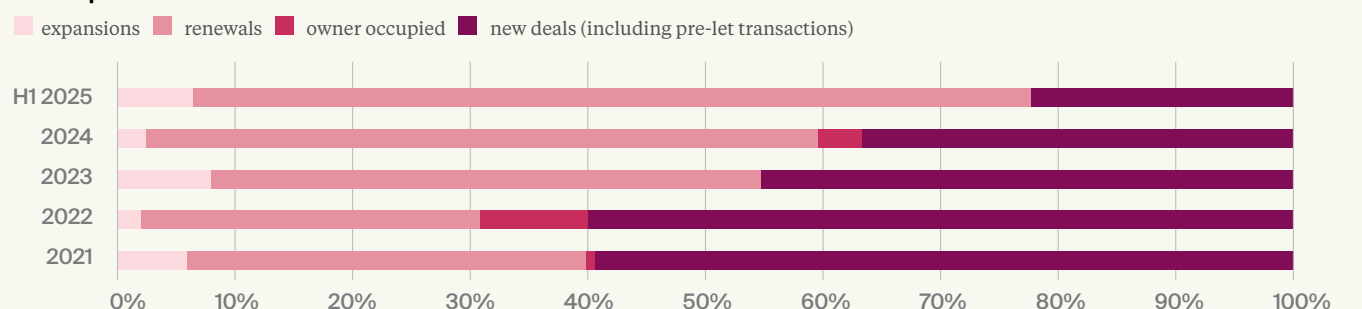
Source: Knight Frank

## Annual new supply, take-up and vacancy rate in Krakow



Source: Knight Frank

## Take-up structure in Krakow



Source: Knight Frank



# Pay Transparency: Realities and Challenges of the Labor Market

► Pay transparency was intended to be a breakthrough in the labor market – a tool for building trust, promoting equality, and enhancing modern employer branding. According to the EU directive, starting in December 2025, Polish companies will be required to disclose salaries or salary ranges in job advertisements, report on the gender pay gap, and ensure employees have the right to access information about salaries for comparable positions.

## CLASH BETWEEN IDEA AND PRACTICE

The way the directive is set to be implemented in Poland does not fully reflect all of its provisions, leaving interpretative gaps and ambiguities regarding the scope of employers' obligations and methods of enforcement. Publishing salary ranges is only the beginning – what truly matters will be job evaluation, a

**"Nearly 4 in 10 women believe that pay disparities still exist within their companies for similar positions."**

coherent pay policy, and the readiness to answer tough questions from employees.

In practice, some companies – as seen with previous directives – are not planning to actively implement the new requirements. Instead of investing in reporting systems and transparent pay structures, they prefer to risk potential fines, assuming that the likelihood of inspections and sanctions is relatively low and that the cost of compliance outweighs possible penalties.

## EXPECTATIONS VS. CHALLENGES

According to the Michael Page Talent

Trends 2025 report, candidates prioritize clear compensation policies, flexibility, and alignment with organizational values. For younger generations, pay transparency is becoming the norm, and companies that embrace it gain a competitive advantage in attracting top talent. At the same time, nearly 4 in 10 women believe that pay disparities persist in their companies for similar roles, and nearly one in three is dissatisfied with their employer's efforts in this area<sup>1</sup>. Poor implementation of the regulations may lead to disappointment among both job candidates and current employees and further frustration over the lack of genuine equality and transparency.

Amid these challenges, it's worth

**"53% of active real estate agents are women."**

highlighting industries where women have played a significant role for years. A good example is the real estate sector, which in Poland stands out with a high percentage of female agents. According to data from Otodom, 53% of active real estate agents are women<sup>2</sup>. Their dominance in the profession has persisted for over 20 years, thanks in part to valued soft skills and alignment with client expectations. Recent analyses show that the real

<sup>1</sup> Talent Trends 2025, Michael Page, 26.06.2024, <https://www.michaelpage.pl/talent-trends>, dostęp 14 lipca 2025.






---

**"Starting in December 2025, an EU directive will require companies to disclose salary levels or pay ranges in job advertisements."**

---

estate sector also demonstrates a higher level of pay equity than many other industries. Gender pay gaps are minimal here, mainly due to transparent compensation practices and a commission-based pay structure.

Growing awareness in the industry along with mentoring, training, and networking initiatives—is providing women with increasing support for career development, resulting in more frequent promotions. While commercial real estate remains male-dominated, the share of women in leadership and management positions is steadily rising.

At the same time, broader labor market disparities remain significant. In 2023, the employment rate for women was nearly 15 percentage points lower than for men. The gender pay gap and unequal access to promotions are also major challenges-issues that pay transparency was meant to address. However, incomplete implementation

of the regulations may limit their impact.

### **DEMOGRAPHIC DECLINE – INCREASINGLY DIFFICULT TO ATTRACT EMPLOYEES**

The Polish labor market is currently facing an unprecedented demographic challenge. According to forecasts, by 2035 the number of workers in Poland will decrease by as much as 2.1 million over 12% compared to the current workforce<sup>3</sup>. In this context, not only attracting new talent but also better activating women in the labor market becomes essential. Labor shortages are already evident in key specializations, and low birth rates combined with an aging population will only deepen the problem. This points to growing competition for talent, as well as the

---

**"According to forecasts, by 2035, the number of workers in Poland is expected to decrease by more than 12% compared to the current working population."**

---

need to invest in employer branding and modern recruitment strategies. The Pay Transparency Directive has

the potential to revolutionize the Polish labor market. However, realizing this potential depends on effective and consistent implementation-something still hindered by imperfect legislation and reluctance among some companies to embrace real change. These challenges also apply to the real estate sector, which despite a high proportion of women-must, like other industries, face demographic pressures and growing demands to build a genuine culture of trust and equality.

The future belongs to organizations that treat transparency not as an obligation, but as an opportunity for growth and competitive advantage.

<sup>2</sup> Data Otodom, Otodom, 05.02.2021, <https://www.otodom.pl/wiadomosci/profesjonalisci/posrednicy/kim-sa-polscy-posrednicy-nieruchomosci-poznaj-dane>, access 14 lipca 2025.

<sup>3</sup> The consequences of demographic changes for labour supply in Poland, Polish Economic Institute, 14.10.2024, <https://pie.net.pl/przy-obecnym-trendach-demograficznych-do-2035-r-zatrudnienie-w-polsce-moze-spasc-o-ponad-12-proc/>, access 14 lipca 2025.

## 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 - KATOWICE**  
Iwona Kalaga  
[iwona.kalaga@pl.knightfrank.com](mailto:iwona.kalaga@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, Krakow, 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:



© KNIGHT FRANK SP. z o.o. 2025

This report is published for general information only and not to be relied upon in any way. Although high standards have been used in the preparation of the information, analysis, views and projections presented in this report, no responsibility or liability whatsoever can be accepted by Knight Frank for any loss or damage resultant from any use of, reliance on or reference to the contents of this document. As a general report, this material does not necessarily represent the view of Knight Frank in relation to particular properties or projects. Reproduction of this report in whole or in part is not allowed without prior written approval of Knight Frank to the form and content within which it appears.

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

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

### PARTNER OF THE PUBLICATION:



**CONTACT TO BUSINESS  
IN MAŁOPOLSKA CENTRE:**  
[contact@businessinmalopolska.pl](mailto:contact@businessinmalopolska.pl)

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

The Business in Małopolska Center is a joint initiative of the Małopolska Region, Małopolska Regional Development Agency and the Krakow Technology Park, which offers an integrated system of servicing investors and exporters, it also provides ongoing information services to entrepreneurs about external sources of financing of investment and export activities.

## Michael Page

### CONTACT:

+48 (22) 319 30 00  
[contact@michaelpage.pl](mailto:contact@michaelpage.pl)

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