

Prepared
in cooperation with

POZnań*

Michael Page



POZNAŃ

City attractiveness and office market

2021

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POZNAŃ

Aerial view of Poznań city dome, showing the main square and surrounding buildings, with the sun low on the horizon.

2021
POZNAŃ

POZNAŃ

FACTS & FIGURES



261.9 sq km



532,000 (GUS)



503,800 (2030)



1.7% (GUS, XI 2021)



4% (2018)



PLN 108,264 (2018)



PLN 6,692.86 (gross)

INVESTMENT ATTRACTIVENESS

1. RANKINGS INDICATING THE INVESTMENT ATTRACTIVENESS OF THE CITY

3.

3rd place in the ABSL ranking of locations in terms of doing business (2021).

1.

In 2021, Poznań was awarded the title of the **City of the Year** in a ranking organized by the prestigious EuropaProperty magazine.

2.

2nd place in Emerging Europe Business Friendly City Perception Index 2021.

1.

The most dynamically developing city in Poland, according to CEE Business Services Summit&Awards 2021.

2.

2nd place in the ranking of Polish cities with the greatest investment potential according to **Business Environment Assessment Study #BEAS2021**.

2. INVESTMENT INCENTIVES

FINANCIAL SUPPORT

- Scholarship programme aimed at students preparing to start their career in Poznań.
- Employer branding.

NON-FINANCIAL SUPPORT

- Project Manager – a person assigned to the project, offering support during preparation, implementation and execution of investment.
- Investment preparation.
- Preparation for investment launch.
- Support in recruiting process.
- Cooperation with the investor after launching the project.

QUALITY OF LIFE

3. RANKINGS ON THE QUALITY OF LIFE IN THE CITY

4.

4th place in Sustainable Development Ranking.

8.

fDI European cities and regions of the future 2020/21: 8th place in „fDI Strategy” category, among medium-sized cities.

7.

7th place in TOP10 best European cities for remote work ranking by OVO Network.

9.

9th place in „Business friendliness”, among medium-sized cities.

3.

3rd place in Ranking of Local Governments Most Dynamically Developing Entrepreneurship.

Award in „Municipality for 5!” and the title of „Golden Municipality for 5!”.

4. CITY INITIATIVES AIMED AT IMPROVING THE QUALITY OF LIFE IN THE CITY

Attracting new inhabitants

Our response to the demographic challenge and migration trends is to retain inhabitants and attract new ones through the consistent implementation of the open city strategy and taking actions to improve the quality of life by: developing infrastructure, city centre renovation, housing, improving natural environment, improving city's aesthetics, promoting cultural events.

Creating attractive jobs

Poznań is an example of a city where the most advanced processes are performed in modern services centres. Companies like GSK, McKinsey or Franklin Templeton are constantly developing and increasing employment rates.

Poznań provides human capital for innovative companies in modern services sector by ensuring quality of education at all levels.

Mobility – ecological solutions for transport

Car-sharing, scooter-sharing.

Projekt Centrum (Project Centre)

Infrastructure modernisation, car traffic limiting and other activities undertaken in the city centre in order to „give it back” to the inhabitants.

Openness – promoting diversity, tolerance and respect:

My Poznań 36,6 campaign – the slogan of the campaign: „Tolerance towards people is not enough, they deserve respect”. The key is openness to foreigners, including migrants from Ukraine.

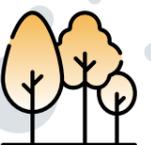
Smart City

Strengthening the innovative character of the economy and implementing new technology, development of the creative entrepreneurship and start-up sector, putting emphasis on education at all levels and active support for universities.



BIKE PATHS

275.59 km (2020)



GREEN AREAS

128.3 sq km

FACTS & FIGURES

NUMBER OF STUDENTS



105,000

NUMBER OF GRADUATES



25,000

NUMBER OF UNIVERSITIES



24

AIRPORT – DISTANCE TO THE CITY CENTRE



7 km

AIRPORT – NUMBER OF PASSENGERS



1,055,162 (2021)
657,709 (2020)

BSS SECTOR – NUMBER OF CENTRES



124

BSS SECTOR – NUMBER OF EMPLOYED



24,000

RATING

A- (STABLE OUTLOOK)

RATING AGENCY

Fitch

POZNAŃ

Q4 2021



EXISTING STOCK

620,400 sq m



SUPPLY UNDER CONSTRUCTION

79,400 sq m



VACANCY RATE

12.7%



NEW SUPPLY (2021)

37,500 sq m



TAKE-UP (2021)

73,500 sq m

Total office stock in Poznań at the end of December 2021 exceeded 620,000 sq m. After the limited new supply of less than 20,000 sq m completed in 2020, nearly 38,000 sq m of modern office space was delivered between January and December 2021. A key factor in this result was the Nowy Rynek D investment, with an area of almost 36,000 sq m, developed by Skanska Property Poland. At the end of 2021, an additional 80,000 sq m of office space was under construction, of which the largest project, Andersia Silver with an area

of 40,000 sq m, is scheduled for delivery in 2023.

The volume of lease transactions in Poznań in 2021 amounted to over 73,500 sq m. This result was 16% higher than in 2020. From the beginning of the year, tenant activity systematically increased, and in Q4 2021 alone the transaction volume exceeded 40,000 sq m. The last quarter's impressive result was influenced, among other things, by the signing of a pre-let contract for almost 10,000 sq m, by

a business services industry tenant, in the Nowy Rynek E building. In 2021, the largest volume of transactions came in renewals (53%), and new contracts 40% (of which pre-lets were 48%). Expansions accounted for only 7% of the total 2021 transaction volume.

Despite the relatively high new supply, the revival in take-up led to a decline in the vacancy rate. At the end of December 2021, the rate stood at 12.7%, 0.3 pp. lower than at the end of 2020. A comparable change in the rate was recorded on a quarterly basis.

Asking rents in Poznań at the end of 2021 remained stable, ranging from EUR 10 to EUR 16 / sq m / month. Despite the revival in take-up and a decrease in the vacancy rate, the high availability of office space suggests tenants are likely to take an interest in renegotiating rent rates and seeking incentive packages. On the other hand, rising construction costs (an increase in building material prices and labour costs), coupled with an increase in construction loan costs, may constrain investor openness towards lease negotiations, particularly in new buildings. In all projects, however, a rise in service charges is to be expected, due to the ongoing increases in the price of services and cost of utilities.

COWORKING OPERATORS IN POZNAŃ:

Business Link | Regus

SELECTED SCHEMES UNDER CONSTRUCTION

ANDERSIA SILVER

- 40,000 sq m
- Q2 2023
- Von der Heyden Group

NOWY RYNEK E

- 26,000 sq m
- Q2 2023
- Skanska Property Poland

Total office space | Completion date | Developer / Owner

STANDARD LEASE TERMS IN LARGE SCALE, NEW BUILDINGS



SERVICE CHARGE PLN/SQ M/MONTH

15-18



RENT-FREE MONTHS

5-8 months

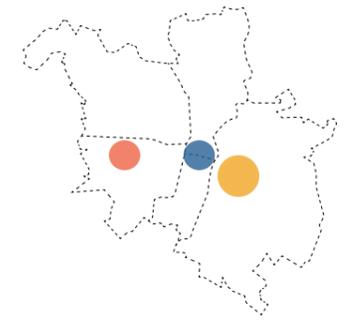


FIT-OUT BUDGET EUR/SQ M

250-500

MAJOR OFFICE CONCENTRATION AREAS

	EXISTING STOCK	SUPPLY UNDER CONSTRUCTION	VACANCY RATE	MONTHLY ASKING RENT
CITY CENTRE	269,700 sq m	79,400 sq m	10.2%	EUR 10-16/sq m
MALTA	43,000 sq m	0 sq m	4.4%	EUR 14-15/sq m
MARCELIŃSKA/BUŁGARSKA	144,000 sq m	0 sq m	17.9%	EUR 11-14/sq m



MAJOR REGIONAL CITIES

KRAKÓW, WROCŁAW, TRICITY, POZNAŃ, KATOWICE, ŁÓDŹ

Q4 2021



6.04m sq m
EXISTING STOCK



226,300 sq m
NEW SUPPLY (2021)



594,500 sq m
TAKE-UP (2021)



910,000 sq m
SUPPLY UNDER CONSTRUCTION

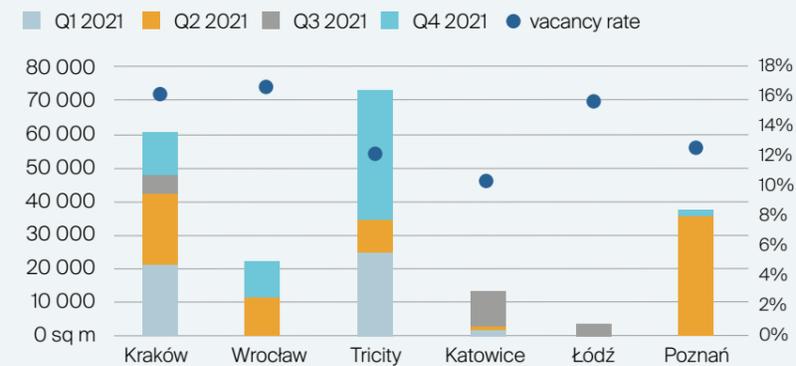


853,650 sq m
AVAILABLE SPACE

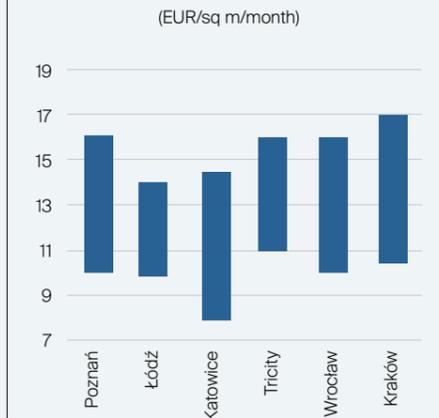
POZNAŃ COMPARED TO MAJOR REGIONAL CITIES

Poznań, as one of the smaller-scale office markets, ranks fourth in terms of size among regional markets in Poland. After a large increase in new supply in 2019, the available space in Poznań is being systematically leased. After completion of the next phase of the Nowy Rynek complex in Q2 2021, further office buildings are due to be finished in 2023 - with the prestigious projects planned for completion set to strengthen Poznań's position among the regional office markets.

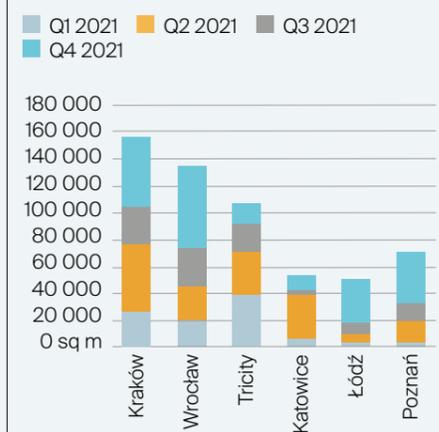
NEW SUPPLY AND VACANCY RATE (2021)



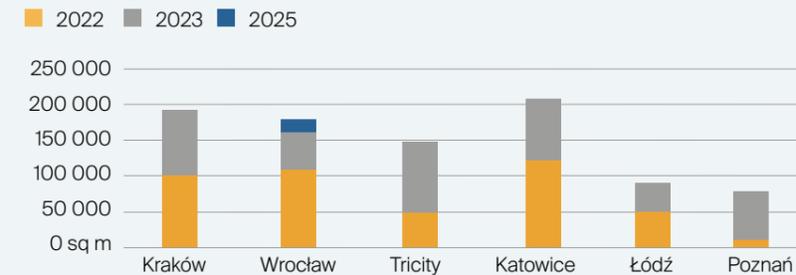
ASKING RENTS (Q4 2021)



TAKE-UP VOLUME (2021)



SUPPLY UNDER CONSTRUCTION BY COMPLETION YEAR (2021)



POLAND

FP&A — SPECIALISTS AND MANAGERS

It looks like Financial Planning and Analysis (FP&A) is becoming one of the most popular financial functions currently placed in business centres on a massive scale. Once the accounting functions have proved their undeniable quality and effectiveness, companies have started looking for the same assets in financial analysis, planning and broadly understood controlling – apparently with outstanding results. Here, gross monthly wages of specialists start at PLN 11,000 and tend to go up to PLN 15,000–16,000, while managers can expect as much as PLN 17,000–25,000. What is more, additional benefits seem to be more and more a stock-in-trade of modern businesses with company cars for the managerial staff becoming common practice.



AVERAGE SALARY:

SPECIALIST	MANAGER
PLN 11,000 - 15,000 gross	PLN 17,000 - 25,000 gross

CUSTOMER SERVICE – ONE OF THE MOST “CAPACIOUS” FUNCTIONS PLACED IN BUSINESS CENTRES ACROSS POLAND

Customer service has become to a much lesser extent than before a simple “call centre” that solves the basic problems of customers, or the staff of the parent company. These days, it is more and more often geared towards advanced roles that revolve around the sale of products and services or its support, after-sales service, or second or third customer support lines tasked with the handling of more complex matters. Here, the wages of specialists are strongly correlated with the level of the required foreign language, which in a vast majority of cases makes them “language-dependent” roles. This means that the core competence actually lies in an excellent command of the language of the country or region where a person is going to work. Experienced candidates can expect a monthly salary ranging from PLN 7,000 gross (for those who know English only) to PLN 9,000–10,000 (for those who know other Western European languages, such as German, Italian, French, Spanish, as well as Scandinavian languages), or even all the way up to PLN 11,000–12,000 in the case of extremely niche languages – though gaining more and more popularity – such as Chinese, Arabic, or Hebrew.



AVERAGE SALARY:

SPECIALIST WITH ENGLISH LANGUAGE	SPECIALIST WITH A WESTERN EUROPEAN LANGUAGE	SPECIALIST WITH A NICHE LANGUAGE
PLN 7,000 - 9,000 gross	PLN 9,000 - 10,000 gross	PLN 11,000 - 12,000 gross

TAXES AND REPORTING

Accounting done in business centres no longer rests on plain transaction roles, which increasingly more often end up in Asian SSCs nowadays, but above all on such areas as intercompany, statutory, tax, compliance, or reporting. The successful centralisation of these functions has encouraged more and more companies to include this service in the portfolio of the services provided in the business centre, and to further penetrate this area within the already existing structures. In fact, these roles are often not dependent on the knowledge of foreign languages other than English, which allows you to recruit excellent specialists who can still be found in rather satisfying numbers on the Polish job market. Monthly wages in this sector start from PLN 8,000 gross for those with basic experience and can reach PLN 14,000–15,000 gross for accomplished experts with extensive expertise and additional certifications.



AVERAGE SALARY:

JUNIOR	SPECIALIST
PLN 8,000 gross	PLN 14,000 - 15,000 gross



The source of the salaries and information presented is internal Michael Page data obtained during 2021 recruitment interviews with candidates and employers.

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 Invest in Poznań
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Poznań is one of the most attractive cities for investors in the Central and Eastern European region, repeatedly awarded in prestigious business rankings. The city is developing in a sustainable manner, in line with the smart city idea. In Poznań we create good conditions for investment, but also for living for all residents. We focus on openness and diversity, we care for green areas, a rich cultural and modern public transport. Investors, among others, from the modern services sector and the IT industry choose Poznań due to the availability of qualified workforce - global giants, including: Franklin Templeton, GSK, Miele, Capgemini or Bridgestone SSC are completing in Poznań the most advanced processes.

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