

# Strong cities

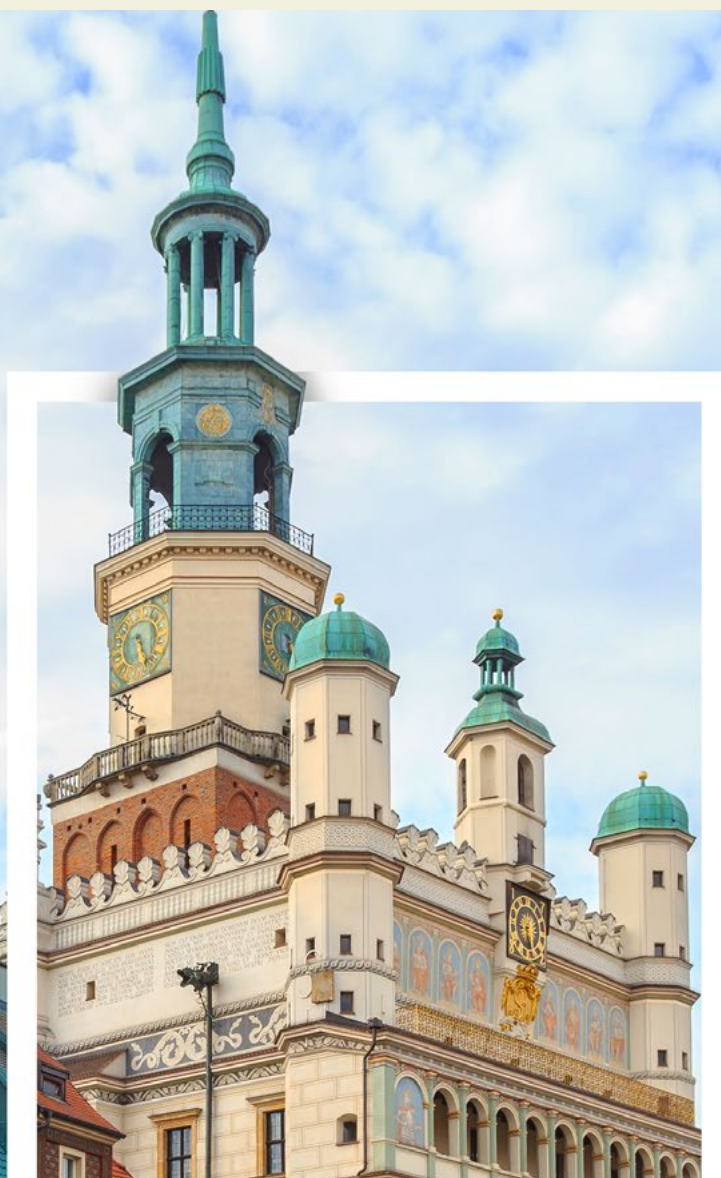


City attractiveness, office market, HR trends

Q4 2023

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)











## Poznań

Prepared  
in cooperation with

POZnań\*

Michael Page

# Poznań

-  **City area**  
**261.9 sq km**
-  **Population**  
**543,400**  
(02.2023, GUS)
-  **Population forecast**  
**503,800** (2030)
-  **Number of companies**  
**127,400**
-  **Unemployment rate**  
**1.0%**  
(12.2023, GUS)
-  **GDP growth**  
**11%**
-  **GDP per capita**  
**PLN 121,000**  
(2020)
-  **Average salary (gross)**  
**PLN 8,363.01**  
(in the business sector, 12.2023, GUS)



## Investment attractiveness

Rankings

- 2<sup>ND</sup> PLACE** in the ABSL ranking - **cooperation with a local investor service office**
- 2<sup>ND</sup> PLACE** in the **Human Capital and Lifestyle** category – European Cities and Regions of the Future fDi Report
- 2<sup>ND</sup> PLACE** in the ABSL ranking - **attractive location in the city centre**
- 2<sup>ND</sup> PLACE** in the **Business Friendly City** category – European Cities and Regions of the Future fDi Report
- 3<sup>RD</sup> PLACE** in the ABSL ranking - **level of wages**

## Investment incentives

**Project Manager** – a person dedicated to the project, responsible for the preparation and launch of the investment, cooperation with the investor after the start of the project.

**Employer branding** – organization of press conferences, distribution of materials to local media, through social media and on the website [www.poznan.pl](http://www.poznan.pl).

**Promotion of the City's real estate** at national and international real estate events – MIPIM, Poznań Housing Fair.

**Supporting real estate investors** in talks with offices, departments of the Office, city companies involved in the processes of preparing and implementing investments.

Regularly updated database of the City's investment areas at [www.poznan.pl](http://www.poznan.pl).

Publication and updating of the City's investment offers in the database of the Polish Investment

**Cooperation with Special Economic Zones** in the context of obtaining government grants.

**Preparation of sector analyses** for the needs of investors.

**Preparation and promotion of urban real estate offer**, including:

- 11 areas for residential and service functions,
- 2 properties for service development,
- 1 residential property,
- 1 area for industrial and logistics development and non-public car parks,
- 1 area for service development or manufacturing or warehousing or storage,
- 1 property designated in the zoning plan as areas of sports, leisure, greenery and water in a green wedge,
- 3 locations for future cubature car parks.

## Quality of life

Rankings

- 1<sup>ST</sup> PLACE** in the category **Transport and Infrastructure** in Saint-Gobain ranking - Polish Cities of the Future 2050
- 1<sup>ST</sup> PLACE** **Smart City Award** - miasta powyżej 300 tysięcy mieszkańców
- 1<sup>ST</sup> PLACE** in the ranking of **best cities to live in Poland** – Business Insider Polska
- 2<sup>ND</sup> PLACE** in the ABSL ranking - **quality of public transport**

**2<sup>ND</sup> PLACE** in the ABSL ranking - **quality of local environment**

The only city in Poland listed in the "Forbes" ranking of the **20 best cities for Americans to live, invest and work in Europe**

**Michelin Guide** - Poznań restaurant awarded a Michelin star, 11 restaurants with distinction.

## Quality of life in numbers







Improving the quality of life of residents through:

- Creating attractive jobs. Companies in the modern services sector such as Rockwool Global Services Center, SwissSoft, Miele – among others - are expanding and increasing employment opportunities in the process.
- Pozitive Technologies conference - attracting top employers, creating a strong and active IT community.
- Smart City - implementation of new technologies, along with the development of creative entrepreneurship and the startup sector, with an emphasis on education at every level and active support for universities.
- The Smart City Poznań application won the Wings of IT in Administration award, in the Tools for communication with citizens category.
- Ecology - increasing green areas, creating an improved energy mix using renewable energy sources, modernising the public transport fleet (electric vehicles, hybrid vehicles). A number of programmes are being carried out: "Let's end smog in Poznań", "Keep warm", asbestos removal programme.
- Mobility – green transport solutions – car-sharing, scooter-sharing.
- Centre project - among other things, revitalisation of the city centre, reduction of car traffic in the city centre.
- Rich cultural life - numerous festivals, e.g. the world-famous Malta Festival Poznań, some 40 art galleries, 30 museums, 13 cinemas, the philharmonic.
- Culinary capital of Poland - around 500 restaurants and bars, offering food from all corners of the world.
- Poznań Equality Week – promoting diversity, tolerance and respect.
- A rich array of leisure and recreation opportunities - aqua park, ice rinks, artificial ski slope, climbing walls, bowling alleys, lakes, swimming pools, city beaches with numerous attractions for inhabitants and tourists along the Warta River, 10 sports stadiums, over 500 playgrounds, zoo, palm house - the largest in Poland and one of the largest in Europe.
- Poznan International Fair - the leading trade fair organiser in Poland and Central and Eastern Europe.

 **Bike paths**  
**333.53 km**

 **Green areas**  
**128.3 sq km**

## Facts & Figures

-  **Number of students**  
**102,200**
-  **Number of graduates**  
**24,500**
-  **Number of universities**  
**24**
-  **Airport - distance to the city centre**  
**7 km**
-  **Airport - number of passengers**  
**2,788,990** (2023)
-  **BSS sector - number of centres**  
**150**
-  **BSS sector - number of employed**  
**27,000**

RATING AGENCY **Fitch Ratings**

RATING **A-**

# Poznań

Q4 2023

- ▶ Existing stock **672,000** sq m
- ▶ Supply under construction **59,000** sq m
- ▶ Vacancy rate **14.7%**
- ▶ New supply (2023) **43,000** sq m
- ▶ Take-up (2023) **78,000** sq m

## Coworking operators in Poznań

Business Link | Regus

## Standard lease terms in new buildings

- ▶ Service charge PLN/sq m/month **16.00-28.00**
- ▶ Rent-free period **1-1.5** month for each contract year
- ▶ Fit-out budget EUR/sq m **250.00-500.00**

▶ Poznań is a key office market in Poland, boasting a supply of modern office space amounting to over 672,000 sq m. The city's office space inventory is steadily expanding, indicative of robust tenant demand. In 2023, tenants leased over 78,000 sq m, marking the second-highest leasing volume in the Poznań market's history.

### SUPPLY

The total modern office space in Poznań at the end of Q4 2023 amounted to over 672,000 sq m, with 43,000 sq m being added to the market within the last year.

Office space in Poznań is set to expand further, with 59,000 sq m currently under construction. This includes the 40,000 sq m AND2 (formerly known as Andersia Silver), expected to be completed in 2025. This building, being developed by Von der Heyden Group, will claim the title of the largest office building in Poznań in terms of space.

Almost half of Poznań's office space is situated in the city centre. With the completion of AND2, this central area will solidify its position as the largest concentration area for office space in the city. Another significant concentration of office space is in the vicinity of Marcelesińska and Bułgarska streets, where approximately 23% of Poznań's total office space is located.

In 2023, a revival in the rental market was observed in Poznań, with over 78,000 sq m of office space leased. This marked a 66% increase from the previous year and was only 1% below the record set in 2017.

### TAKE-UP

The take-up structure in 2023 was dominated by new leases and renegotiations, representing 54% and 31% of the volume, respectively. Owner-occupier deals accounted for a significant portion, making up 14% of the total volume. Expansions made up the remaining 1% of the leased office space in Poznań, with an area exceeding 1,000 sq m.

### VACANCY RATE

Despite the significant volume of leased office space, the vacancy rate in Poznań increased to 14.7% in Q4 2023, up from 13.2% at the end of Q3. Nevertheless, Poznań's vacancy rate remains below the regional city average of 17.5%.

### RENTS

Asking rents for office space in Poznań during the last quarter of 2023 typically ranged from EUR 10.00 to 15.50 /sq m/month. Moreover, office space on the top floors of prime buildings in the city centre is likely to exceed this range significantly.

Service charges, following significant increases in the cost of utilities over the previous quarters, remained stable in Q4 2023 compared to Q3 2023 and typically ranged from PLN 16.00 to 28.00/sq m/month.

# Office market in Poland

Q4 2023

- ▶ Existing stock **12.9m** sq m
- ▶ New supply (2023) **342,000** sq m
- ▶ Take-up (2023) **1.5m** sq m
- ▶ Supply under construction **534,000** sq m
- ▶ Vacancy rate **14.1%**

### SZCZECIN

185,000 sq m  
4.8%  
EUR 10-14.5

### POZNAŃ

672,000 sq m  
14.7%  
EUR 10-15.5

### WROCŁAW

1.35m sq m  
18.2%  
EUR 10-16

### KATOWICE

748,000 sq m  
21.5%  
EUR 8-14.5

### KRAKÓW

1.81m sq m  
19.8%  
EUR 10-16

### TRICITY

1.05m sq m  
13.3%  
EUR 10-15

### WARSAW

6.15m sq m  
12.7%  
EUR 10-25

### ŁÓDŹ

637,000 sq m  
20.3%  
EUR 9-15

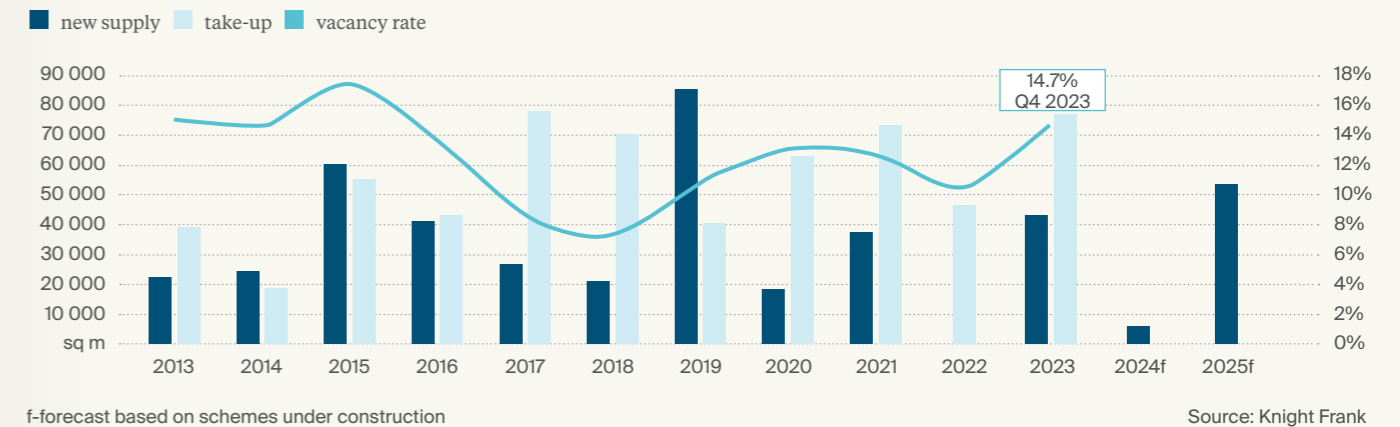
### LUBLIN

221,000 sq m  
11.9%  
EUR 8-13

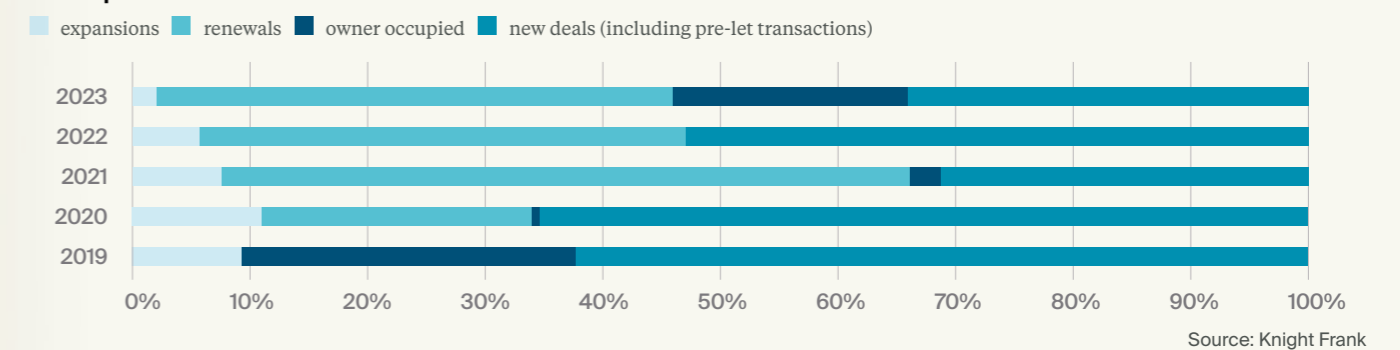
🏢 - office stock    📊 - vacancy rate  
🏗️ - asking rents (per sq m per month)

Source: Knight Frank

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



## Take-up structure in Poznań



# Businesses keep a sharp lookout for effective leaders - as highlighted by the Michael Page 2024 Guide to Salaries and Trends in the Labour Market

The current decade is a time of transformation in the business world. ESG and DE&I are gaining momentum. At the same time, the impact of modern technologies is growing, with primary focus placed on artificial intelligence. There is also a clear change in the attitudes of employees, who prioritise work-life balance. All this proves the far-reaching metamorphosis of workplace culture.



Employees expect businesses to be committed to and actively involved in ESG, as well as in Diversity, Equity & Inclusion. These days, candidates tend to combine their ultimate decision of whether or not to join a given organisation with the thought of whether they identify with the values of their prospective employer.

Indeed, artificial intelligence has become an intrinsic feature of work in many sectors. Staff in various positions use AI tools to optimise their daily tasks. The development of this particular technology is also associated with the creation of more and more new positions in many teams.

Having said that, given the employee's market, we can see a far-reaching transformation of the workplace culture. Candidates stress the need for better work-life balance, which they prioritise over professional success. This explains why so many employees are reluctant to give up the more flexible working hours or hybrid work model that the pandemic has made possible.

In the face of these changes, businesses need effective leaders who can attract and retain talent within an organisation. The last months of 2023, however, revealed that the quality of leadership in the new reality is sometimes insufficient. The leadership skills deficit is a major challenge that organisations have to face up to if they want to operate efficiently in the ever-changing business environment.

► For more information on the market analyses, forecasts for 2024, and the overall structure of salaries across 9 sectors the structure of wages in 9 sectors, please see the report [A Guide to Salaries and Trends in the Labour Market](#). The publication was prepared by experts from Michael Page.

## The ins and outs of the labour market in the IT Contracting sector

in Poland

Following the outbreak of the pandemic, there was a surge in demand for IT products and services, with increased recruitment needs for companies. In 2023, the number of projects in the area of new technologies has been lower, and thus the number of recruitment processes has returned to the levels known before the pandemic. Representatives of the sector actively observed the development of artificial intelligence during this time, trying to anticipate its impact on the IT labour market. Due to the partial slowdown in demand for new technologies, global giants decided to reduce employment. However, Poland was still seen as a location worth setting up technology hubs and recruiting IT experts.



Cloud solution experts were invariably of great interest to employers. Companies also sought software developers, in particular those specialising in programming languages such as Java and Python. Employers were also very interested in specialists in the areas of ERP and big data.

Candidates, on the other hand, were more reserved about the prospect of changing jobs. They paid attention to the opportunities for development in the new company, taking into account currently implemented and planned projects, the technologies used, as well as the employer's offer to subsidise training courses. A person changing a job could usually count on a salary approximately 10-20% higher than the current one.

Average salary increases at companies were on a similar level. Those specialising in cyber security, cloud solutions, software development and data science gained the most in this respect. In 2023, there was an increase in companies accepting remote working only to a limited extent. Younger companies in particular, still building their corporate culture, were interested in having employees in the office at least on selected days of the week.

## TOP 3

Most desirable positions in the IT sector:

- 1 ► **IT Business Analyst:**  
PLN 20,000 – 24,000  
gross/monthly
- 2 ► **BI Developer:**  
PLN 18,000 – 23,000  
gross/monthly
- 3 ► **SAP Implementation Consultant:**  
PLN 23,000 – 27,000  
gross/monthly

## 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)

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

**COMMERCIAL AGENCY - POZNAŃ**  
T-REP Filip Kowalski  
[filip.kowalski@pl.knightfrank.com](mailto:filip.kowalski@pl.knightfrank.com)

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

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

**INDUSTRIAL AGENCY**  
Przemysław Jankowski  
[przemyslaw.jankowski@pl.knightfrank.com](mailto:przemyslaw.jankowski@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.

**Knight Frank Research Reports are available at:**  
[www.knightfrank.com.pl/en/research/](http://www.knightfrank.com.pl/en/research/)


© KNIGHT FRANK SP. z o.o. 2024

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.

### PARTNER OF THE PUBLICATION:

**POZnań\***

**CITY OF POZNAŃ  
INVESTOR RELATIONS DEPARTMENT**  
ul. Za Bramką 1  
61-842 Poznań  
(+48) 61 878 5428  
[inwestor@um.poznan.pl](mailto:inwestor@um.poznan.pl)

 Invest in Poznań  
[www.poznan.pl](http://www.poznan.pl)

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.

**Michael Page**

#### CONTACT:

Magda Tarkowska  
Executive Manager  
+48 798 506 886  
[magdatarkowska@michaelpage.pl](mailto:magdatarkowska@michaelpage.pl)

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