

# Strong cities



City attractiveness, office market, HR trends

Q3 2024

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

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# Warsaw

Prepared  
in cooperation with



Michael Page

# Warsaw

- ▶  **City area**  
**517.2 sq km**
- ▶  **Population**  
**1,861,644**  
(state of 30.06.2023, GUS)
- ▶  **Population forecast**  
**2,132,000** (2030)  
**2,249,000** (2050)
- ▶  **Migration balance**  
**(+) 2,526**  
(state of 30.06.2022, GUS)
- ▶  **Unemployment rate**  
**1.5%**  
(state of 08.2024, GUS)
- ▶  **GDP growth**  
**2.4%**  
(2020)
- ▶  **GDP per capita**  
**PLN 191,000**  
(2021)
- ▶  **Average salary (gross)**  
**PLN 9,874.81**  
(in the business sector, 08.2024)

## Investment attractiveness

Rankings

**1<sup>ST</sup> PLACE** in the fDi Intelligence "European Cities and Regions of the Future 2024" - OVERALL - among the Central and Eastern Europe cities

**2<sup>ND</sup> PLACE** in the business friendliness category in the fDi Intelligence "European Cities and Regions of the Future 2024" ranking

**2<sup>ND</sup> PLACE** in competition **European Innovation Capital - iCapital**

**1<sup>ST</sup> PLACE** in the **Ranking of Shared Mobility Friendly Cities in Poland 2024**

## Investment incentives

Investment support

### Offer for investors:

- | individual approach;
- | assistance at every stage of the investment, including the organization of reference visits;
- | back office support;
- | providing necessary information on available public aid.

Key areas of support

### Information activities:

- | assistance in obtaining data;
- | providing industry know-how;
- | city information pack.

### Support in acquiring office space:

- | access to information on municipal real estate;
- | support in choosing a location;
- | cooperation with real estate agencies.

### Recruitment activities:

- | cooperation with academic centres and universities;
- | cooperation with HR agencies;
- | coordination of joint activities with universities.

### Post-investment support:

- | support in day-to-day operations in the form of obtaining industry information;
- | undertaking joint activities for the development of sectors;
- | coordination of joint projects;
- | support in corporate social responsibility projects.



# Quality of life

Rankings

**1<sup>ST</sup>**  
**PLACE** in the **European Best Destinations 2023** plebiscite

**3<sup>RD</sup>**  
**PLACE** in "**The world's most walkable cities**" report by Compare The Market Australia 2024

**1<sup>ST</sup>**  
**PLACE** in the **Healthy Cities 2022 and 2023 Index** compiled by the Warsaw School of Economics, LUX MED Group and the Open Eyes Economy Summit

**4<sup>TH</sup>**  
**PLACE** in the world among cities with a population below 3m in the **Cities of Choice** study conducted by Boston Consulting Group

## Quality of life in numbers

### Culture and recreation

- 104 museums and art galleries;
- 36 theatres and music institutions;
- 37 cinemas;
- 2,700 restaurants;
- approx. 1.9m sq m of commercial retail space;
- 224 outdoor gyms;
- 44 swimming pools and 15 ice rinks;
- 11 beaches along the banks of the Vistula.

### Public transport

- 88% of citizens express positive opinion on Public Transport Authority (Warsaw Barometer 2023);
- 2 metro lines, 5 lines of Szybka Kolej Miejska, 304 bus lines with approx. 1,480 vehicles (100% low floor);
- investments for over PLN 6.9bn in public transport and infrastructure (2017-2025);
- 23 tram lines with over 400 trams;
- 79% of city residents consider Warsaw as bicycle-friendly city;
- over 3,00 city bikes; 300 bike stations;
- water trams and ferries on the Vistula, canoes and water skis.



**Bike paths**  
Over **773 km**



**Green areas**  
**43%**

## Facts & Figures



**Number of students**  
**246,550**



**Number of graduates**  
**48,350**



**Number of universities**  
**69**



**Airport - distance to the City centre**  
**9.8 km**



**Airport - number of passengers**  
**18.5m** (2023)



**BSS sector - number of centres**  
**356** (2023)



**BSS sector - number of employed**  
**95,000**

RATING AGENCY






**Fitch**

RATING




**A-**

# Warsaw

## Q3 2024

- 
**Existing stock**  
**6.26m sq m**
- 
**Supply under construction**  
**274,000 sq m**
- 
**Vacancy rate**  
**10.7%**
- 
**New supply**  
**75,000 sq m**
- 
**Take-up**  
**492,000 sq m**

## Standard lease terms in new buildings

- 
**Service charge**  
PLN/sq m/month  
**18.00-38.00**
- 
**Rent-free period**  
**1.5-2 months**  
for each contract year
- 
**Fit-out budget**  
EUR/sq m  
**250.00-750.00**

► Warsaw remains the largest and most mature office market in Poland. In Q3 2024, demand for office rental space remained stable, while vacancy levels continued their downward trend.

Over the next three years, new supply growth is expected to be modest, further positively impacting vacancy and rental levels.

### SUPPLY

At the end of September 2024, Warsaw's total office stock reached 6.26 million sq m, accounting for nearly half of all office space in Poland. The highest concentration of office space is found in the central zones, where 45% of the total stock is located, and in Służewiec, which boasts over one million sq m - 17% of Warsaw's total office space.

Since the beginning of the year, nearly 75,000 sq m of office space have been added to the capital's market, nearly four times more than during the same period last year. However, this figure remains significantly below the five-year average of almost 220,000 sq m for this timeframe. In Q3, three new buildings were completed, contributing a total of over 11,000 sq m.

Development activity remains limited, with approximately 274,000 sq m of office space currently under construction. Of this, more than 62% is expected to be completed in 2025.

The vast majority of the space under construction (86%) is located in central areas, primarily around Daszyńskiego Roundabout.

### TAKE-UP

Demand for office leases remains stable. From January to September 2024, total office take-up in Warsaw reached 492,000 sq m, remaining nearly on a par with the same period last year. In Q3 alone, over 176,000 sq m in leases were signed.

New deals, including pre-leases, accounted for the largest share of lease agreements in the first three quarters of 2024, comprising over 44% of the total volume. Renegotiations also represented a substantial portion of lease transactions, accounting for 42% from January to September. This trend reflects ongoing tenant focus on minimizing relocation and space adaptation costs. Encouragingly, there has been an increase in expansions, which constituted 7.3% of lease transaction volume in the first three quarters of 2024, up from 3.9% in 2023.

Tenants are increasingly prioritizing green and sustainable buildings, as evidenced by the fact that 65% of leased space from January to September 2024 was in certified buildings. The growing number of green-certified properties is further contributing to this trend.

### VACANCY RATE

Since the beginning of 2024, the vacancy rate has steadily declined. By the end of Q3 2024, available office space in Warsaw totalled 671,000 sq m, resulting in a vacancy rate of 10.7%, which is 0.2 pp lower than in the previous quarter. In central zones, the vacancy rate stood at 8.9% (down 0.2 pp from the previous quarter), while in non-central areas, it was 12.2% (down 0.1 pp).

The vacancy rate varies significantly by location and the age of the building. In newly constructed office properties (completed within the last five years), the vacancy rate is only 5.2%, reflecting growing tenant preference for high-standard facilities.

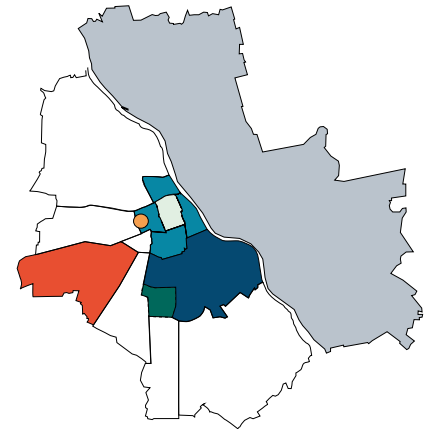
### RENTS

Rental rates for office space in Warsaw experienced slight change in Q3 2024. In prime office buildings in the city centre, monthly rates ranged from EUR 18.00 to 28.00/sq m, although rents in some top-tier buildings may exceed this range. In non-central areas, asking rents typically ranged between EUR 10.00 and 17.00 /sq m/month. Service charges remained stable compared to the previous quarter, generally ranging from PLN 18.00 to 38.00/sq m/month.

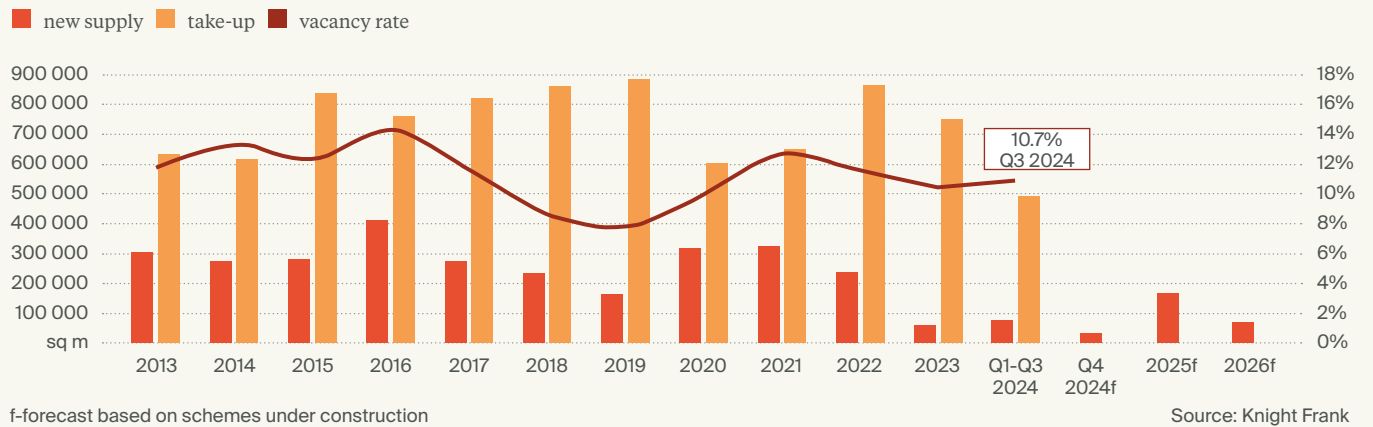
# Office space

Major concentration areas

	EXISTING STOCK	SUPPLY UNDER CONSTRUCTION	VACANCY RATE	MONTHLY ASKING RENT
<b>CBD</b>	1.01m sq m	36,000 sq m	9.7%	EUR 18-28 sq m
<b>City Centre</b> (excluding Daszyński Roundabout)	1.05m sq m	46,000 sq m	10.8%	EUR 15-23 sq m
<b>Daszyński Roundabout</b>	768,000 sq m	154,000 sq m	5.2%	EUR 15-23 sq m
<b>Służewiec</b>	1.06m sq m	0 sq m	19.7%	EUR 10-15 sq m
<b>Mokotów</b> (excluding Służewiec)	403,000 sq m	0 sq m	7.5%	EUR 12-16 sq m
<b>Jerozolimskie Corridor</b>	769,000 sq m	0 sq m	9.8%	EUR 12-15 sq m
<b>East</b>	285,000 sq m	6,000 sq m	8.9%	EUR 11-15 sq m
<b>Other</b>	926,000 sq m	32,000 sq m	8.6%	EUR 11-16 sq m



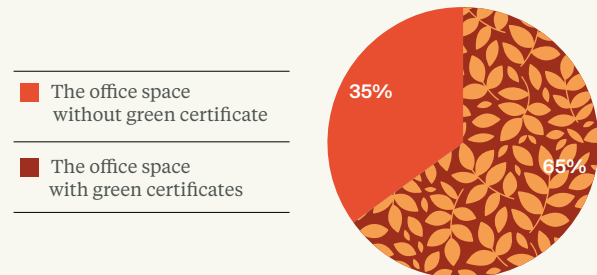
## Annual new supply, take-up and vacancy rate



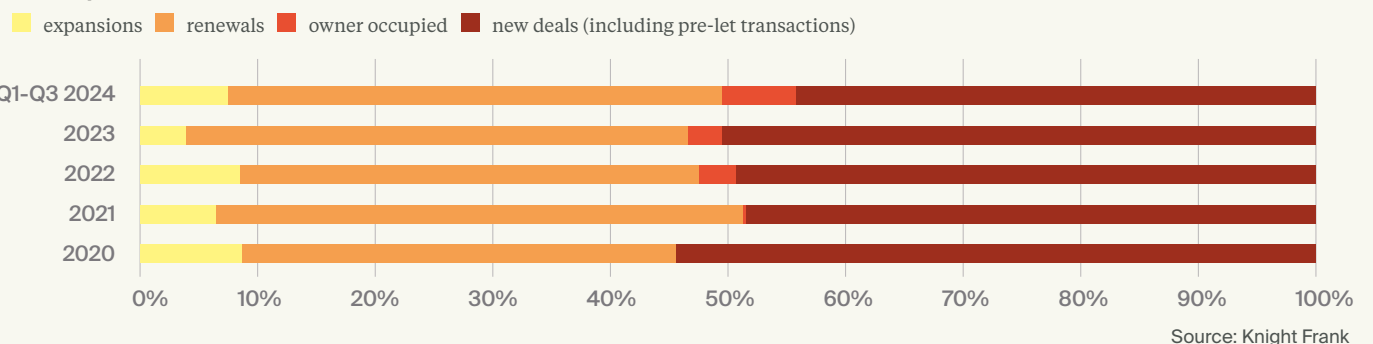
## Office space in Warsaw - existing and under construction



## Total take-up in Warsaw in Q1-Q3 2024



## Take-up structure





# Salary Guide 2025: Navigating the Changing Job Market

In 2025, the Polish job market will continue to undergo significant transformations. Global challenges such as social and political shifts, advancing digitalisation, demographic changes, increased competition for talent, and candidates' expectations are shaping pay and recruitment strategies across various sectors. In this context, "Salary Guide 2025" by Michael Page experts provides entrepreneurs, HR managers, and recruitment specialists with an in-depth analysis of trends and forecasts for the coming year.

## Key Salary Trends for 2025

The year 2025 will bring several major changes impacting wages in Poland. The Michael Page salary report identifies the fastest-growing sectors and those facing wage-related challenges.

### 1. Growth in the IT and Technology Sector

The IT sector is experiencing changing recruitment trends. There is a shift away from hiring less experienced specialists and an increased focus on expert-level professionals, particularly in cybersecurity, AI, machine learning, and software development. These areas are seeing a rise in salary levels.

### 2. Candidates Expect More

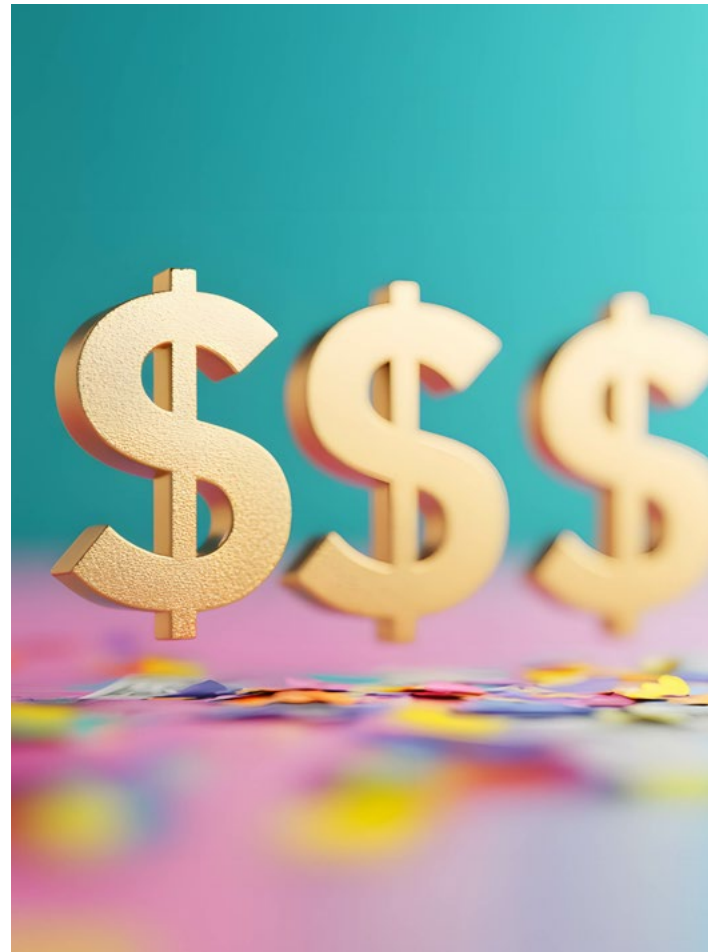
Employees are increasingly looking for not only attractive salaries but also flexible working conditions, development opportunities, and values that align with their beliefs. Companies that fail to meet these expectations may struggle to attract and retain talent.

### 3. Rising Importance of Sustainability

In 2025 and the years that follow, the need for ESG managers in Poland will grow, driven by the CSRD (Corporate Sustainability Reporting Directive). By 2026, around 3,500 organisations will be required to report on ESG. As the ESG sector is relatively new in Poland, there is a limited pool of specialists available.

### 4. Increased Demand for Soft Skills and Multidisciplinarity

Expectations for candidates in finance and accounting sectors reflect current employer demands for experts across fields. Employers now require not only knowledge and experience but also agility in updating skills, the ability to identify and communicate business opportunities and risks, strong organisational understanding, data analysis and presentation skills, valuable business recommendations, and support for implementing them.



► Take the opportunity to adapt your pay strategy and recruitment processes to the challenges you face. Ensure your company's success in a competitive job market.

Don't let job market changes catch you off guard. Utilise the expert insights from Michael Page's "Salary Guide 2025" – a leading authority in recruitment and HR consulting. Download the free report on our website and gain a competitive edge with the latest data and thorough trend analysis. Download "[Salary Guide](#)".

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

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## Changing trends with an emphasis on cybersecurity and AI

The IT sector is struggling with volatile recruitment patterns. It seems to be turning down specialists with little experience. That said, there is a clear growth of interest in employees at the expert level – especially in such areas as cybersecurity, AI, machine learning, and software development. Businesses are intensively looking for experts who can integrate AI into existing systems, and those who can secure their IT infrastructure against growing cyber threats.

## Salary growth in key specialisations

Salaries in the IT sector remain stable; yet in AI, machine learning and cybersecurity, it is possible to see an increase in wages. Businesses are willing to pay more for skilled professionals in these fields.

## Nearshoring centres and service migration

The creation of nearshoring centres and the relocation of IT services from Western Europe to Poland is becoming more and more a fact of life. Businesses looking for savings due to rising energy costs and falling margins in production decide to move their IT services to Poland. As a result, the number of recruitment processes in the IT sector in Poland will be going up. This is expected to happen in the fourth quarter of 2024.

## Low-level job outflow

Along with the influx of new jobs, many entry-level jobs are migrating to countries such as India and the Philippines. Middle and senior specialists – especially in such areas as IT management, software engineering, and consulting – continue to find employment in Poland, which is due to the high quality of work of Polish consultants and the lack of appropriate competences on foreign markets.

## Back to on-premises solutions

The cloud is no longer the only solution for IT companies. Due to high costs and the risk of vendor lock-in, companies are returning to on-premises solutions. FinOps managers will gain significance, and their job description will include effective management of cloud service costs.

## The role of soft skills

Companies are increasingly valuing soft skills in candidates. Communication skills, teamwork and empathy are becoming as important as technical skills.

## The importance of ethics at work

The younger generation of staff seem to be prioritising the values and ethics of the companies they work for. Candidates are increasingly choosing employers who act in accordance with their values, avoiding businesses from the industries that come across as unethical.

## Cooperating with graduates of technical studies

The number of graduates of technical faculties of Polish universities remains at a high level, which ensures a constant inflow of new talent into the labour market.

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# TOP 3

Most desirable positions in the IT sector:

- 1 ▶ SAP Consultant:**  
PLN 25,000 – 29,000  
gross monthly
- 2 ▶ Security Engineer:**  
PLN 18,000 – 25,000  
gross monthly
- 3 ▶ Cloud Engineer:**  
PLN 25,000 – 31,000  
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 - WARSAW**  
T-REP Piotr Kalisz  
[piotr.kalisz@pl.knightfrank.com](mailto:piotr.kalisz@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)

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Authors: Dorota Lachowska, Michał Kusy.

### PARTNER OF THE PUBLICATION:



**CONTACT IN CITY  
COUNCIL'S OFFICE:**  
[biznes.um.warszawa.pl](mailto:biznes.um.warszawa.pl)  
[promocjagospodarcza@um.warszawa.pl](mailto:promocjagospodarcza@um.warszawa.pl)

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- individual approach;
- assistance at every stage of the investment, including the organization of reference visits;
- administrative support;
- providing necessary information on available public aid.

## Michael Page

**CONTACT:**  
+48 (22) 319 30 00  
[contact@michaelpage.pl](mailto:contact@michaelpage.pl)  
[www.michaelpage.pl](http://www.michaelpage.pl)