

# Strong cities



City attractiveness, office market, HR trends

Q4 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

**1,862,402**  
(state of 30.06.2024, GUS)




Population forecast

**2,132,000** (2030)  
**2,249,000** (2050)




Migration balance

**(+) 1,683**  
(state of 2023, GUS)




Unemployment rate

**1.4%**  
(state of 11.2024, GUS)




GDP growth

**14.9%**  
(2023)



GDP per capita

**PLN 214,793**  
(2022)



Average salary (gross)

**PLN 9,940.34**  
(in the business sector,  
11.2024)

## 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



## Quality of life in numbers

### Culture and recreation

- 104 museums and art galleries;
- 35 theatres and music institutions;
- 38 cinemas;
- 2,822 restaurants;
- approx. 1.9m sq m of commercial retail space;
- 222 outdoor gyms;
- 44 swimming pools and 15 ice rinks;
- 11 beaches along the banks of the Vistula.

### Public transport

- 89% of citizens express positive opinion on Public Transport Authority (Warsaw Barometer 2024);
- 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);
- 24 tram lines with over 500 trams;
- 79% of city residents consider Warsaw as bicycle-friendly city;
- over 3,300 city bikes; 330 bike stations;
- water trams and ferries on the Vistula, canoes and water skis.



**Bike paths**  
**814 km**



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

## Facts & Figures



**Number of students**  
**261,331**



**Number of graduates**  
**49,870**



**Number of universities**  
**68**



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



**Airport - number of passengers**  
**21m (2024)**



**BSS sector - number of centres**  
**376 (2024)**



**BSS sector - number of employed**  
**101,000**

RATING  
AGENCY






Fitch

RATING




A-

# Warsaw

## Q4 2024

	<b>Existing stock</b> <b>6.29m sq m</b>
	<b>Supply under construction</b> <b>247,000 sq m</b>
	<b>Vacancy rate</b> <b>10.6%</b>
	<b>New supply</b> <b>104,000 sq m</b>
	<b>Take-up</b> <b>740,000 sq m</b>

## Standard lease terms in new buildings

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

► Activity in the Warsaw rental market in 2024 remains stable, with leased office space totalling 740,000 sq m. Limited new supply has resulted in a decline in vacancy rates, reaching their lowest level of the year. While rental rates remain stable, there is an increasing polarization and a clear shift toward sustainable properties.

### SUPPLY

In 2024, the total office stock in Warsaw reached 6.29 million sq m. The majority of this space (45%) is located in central areas, while the dominant districts outside the centre are Służewiec and Aleje Jerozolimskie, accounting for 17% and 12% of Warsaw's office stock, respectively.

Developer activity remains low. Since the beginning of 2024, over 104,000 sq m of modern office space has been added to the Warsaw market, representing a 71% increase compared to 2023, but still significantly below the five-year average of 219,000 sq m.

Currently, only 247,000 sq m is under construction, of which more than 63,000 sq m involves the renovation of existing office buildings. The vast majority (69%) of the space under construction is set to be delivered in 2025.

### TAKE-UP

Demand for office space in Warsaw remains stable, with the total leased area in 2024 approaching 740,000 sq m - a 1% decrease compared to 2023. In Q4 2024 alone, demand reached nearly 244,000 sq m.

The dominant type of leasing agreements were renegotiations, which accounted for a record 46% of total demand, reflecting tenants' ongoing sensitivity to costs, including relocation and space adaptation. As a result, the share of new leases dropped to 43%, down from 51% the previous year.

A positive trend is indicated by the increasing number of tenants opting to expand their leased space. Lease expansions accounted for 6.7% of total demand, representing a 2.8 pp increase compared to the previous year. The remaining 4% of the volume originated from owner-occupier agreements.

Environmental considerations are playing an increasingly important role in tenants' decision-making. Of the total office space leased in 2024, a significant majority (76%) involved buildings with green certifications, with 45% comprising properties holding top-tier certifications such as BREEAM Excellent and Outstanding or LEED Platinum.

### VACANCY RATE

Limited new supply and stable demand have driven the vacancy rate down for the third consecutive quarter, reaching 10.6% at the end of Q4. Strong interest in central areas has led to a significantly lower vacancy rate of 8.8% in these locations compared to the average.

The notable variation in vacancy rates results not only from location but also from the age of the buildings. Vacancy levels in new buildings completed after 2020 stand at just 5.5%, indicating robust tenant interest in high-quality, modern office spaces. Given the limited construction activity, vacancy levels are expected to remain relatively stable in the coming quarters.

### RENTS

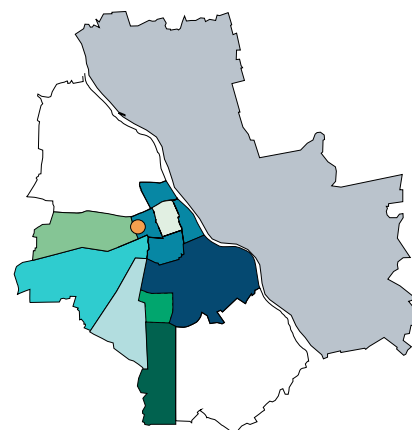
In Q4 2024, asking rents for office space remained stable compared to the previous quarter. In central areas, asking rents typically ranged from EUR 18.00 to 28.00/sq m/month, although rents in the top office buildings can significantly exceed this range.

Outside the city centre, asking rents ranged from EUR 10.00 to 17.00/sq m/month. Operating costs also remained stable, generally falling between PLN 18.00 and 38.00 per square meter per month.

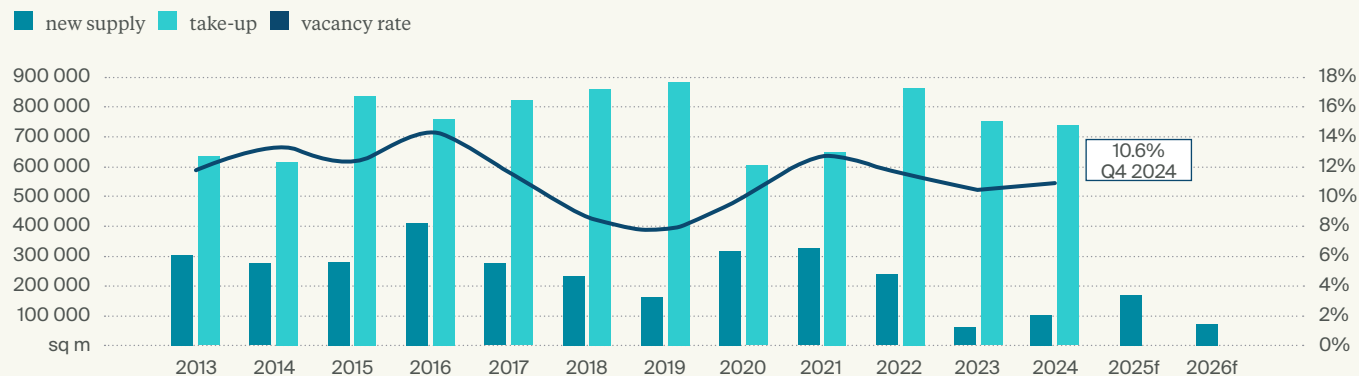
# Office space

Major concentration areas

	EXISTING STOCK	SUPPLY UNDER CONSTRUCTION	VACANCY RATE	MONTHLY ASKING RENT
<b>CBD</b>	1.01m sq m	36,000 sq m	9.9%	EUR 18-28 sq m
<b>City Centre</b> (excluding Daszyński Roundabout)	1.05m sq m	41,000 sq m	10.8%	EUR 15-23 sq m
<b>Daszyński Roundabout</b>	798,000 sq m	131,000 sq m	4.6%	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	7.1%	EUR 12-16 sq m
<b>Jerozolimskie Corridor</b>	769,000 sq m	0 sq m	10.2%	EUR 12-15 sq m
<b>East</b>	285,000 sq m	6,000 sq m	9.2%	EUR 11-15 sq m
<b>Żwirki i Wigury</b>	259,000 sq m	17,000 sq m	11.9%	EUR 12-16 sq m
<b>West</b>	214,000 sq m	15,000 sq m	7.5%	EUR 11-15 sq m
<b>Puławska</b>	204,000 sq m	0 sq m	6.0%	EUR 12-15 sq m



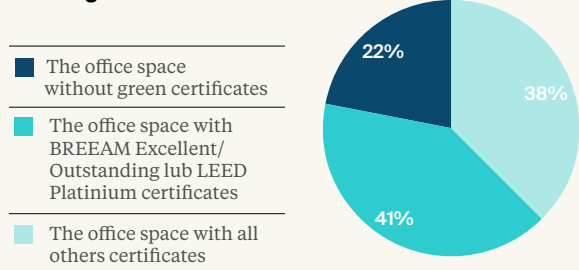
## Annual new supply, take-up and vacancy rate



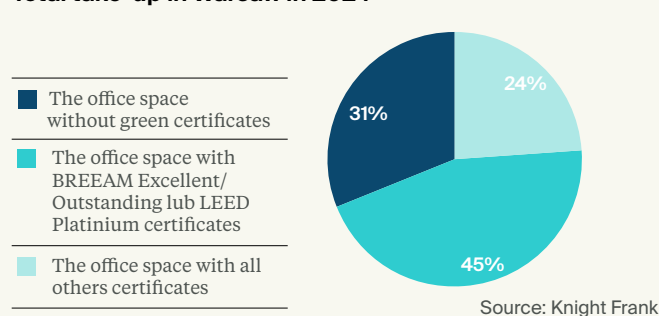
f-forecast based on schemes under construction

Source: Knight Frank

## Office space in Warsaw - existing and under construction

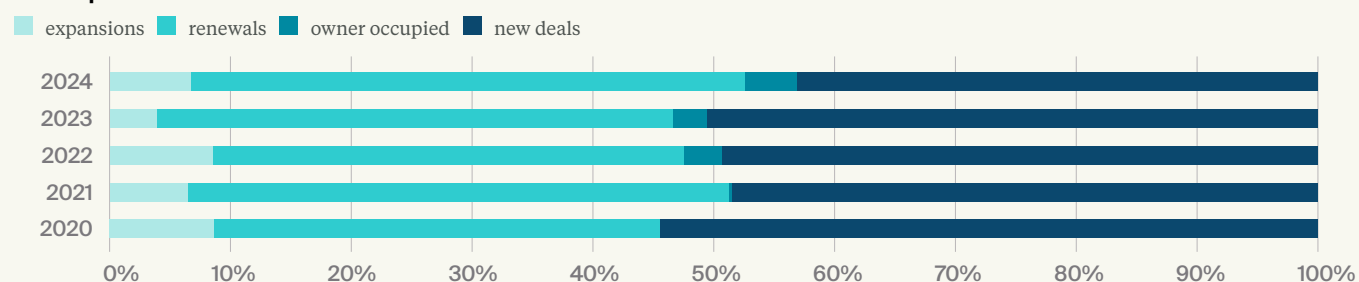


## Total take-up in Warsaw in 2024



Source: Knight Frank

## Take-up structure



Source: Knight Frank



# Salary and Trend Overview in Production, Warehouse Logistics, and Manufacturing in Poland

The year 2025, as a continuation of 2024, brings numerous challenges for the sector of production logistics, warehouse logistics, and manufacturing in Poland. Naturally, the context of these challenges is broader and involves changes across Europe and globally. The market is facing several significant difficulties related to growing challenges in operational efficiency, the need to attract qualified employees, and changing salary expectations, which are evident throughout Europe, with this increase being particularly noticeable in Poland.

Although the production and logistics industry plays a key role in the economy, its dynamics are constantly evolving, requiring companies to demonstrate flexibility and adapt to new economic realities and labor market challenges.

## Salaries in Logistics and Manufacturing

According to industry reports, including one published by Michael Page, average salaries in production and logistics are expected to continue growing in 2025, although at a slower pace than the previous year. The level of remuneration largely depends on the specific position, location, and company size, but a general trend of rising salary expectations is observed across the market. In addition to macroeconomic factors and inflation, the increase in the minimum wage also plays a role, impacting not only the salaries of production workers and warehouse staff but also those in specialized, expert, and managerial roles.

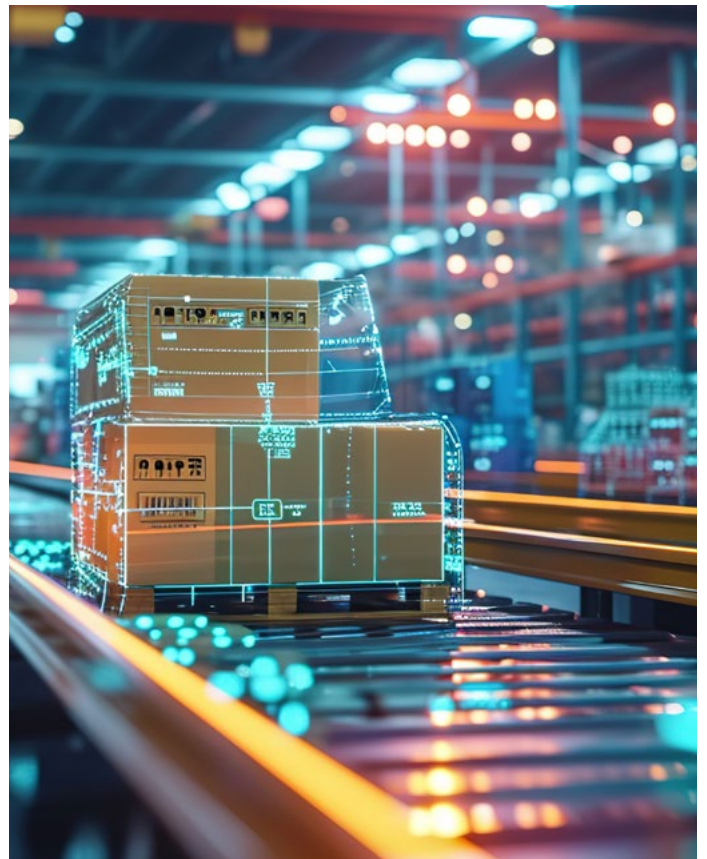
For another consecutive year, the gap in salaries between qualified experts and managers is expected to diminish, with the wage distance between these two groups narrowing.

The increase in wages in recent years, despite intense competition in the labor market, is a result of the growing automation and digitalization of production and logistics processes. Operational efficiency is becoming increasingly important, and achieving this without appropriate human and technological resources is difficult.

## Recruitment in Logistics and Manufacturing: Challenges and Needs

With each passing year, as automation of processes advances, the demand for workers in logistics and manufacturing also increases, particularly in warehouse management, transport, and maintenance areas. It is estimated that, in 2025, the number of job vacancies in this sector in Poland could exceed 100,000. The logistics sector, especially with the intensive growth of e-commerce, requires adequately skilled employees who can meet the growing demands related to the speed and precision of deliveries.

According to a 2024 report from the Polish Institute of Logistics and Warehousing (PILM), 60% of companies in the warehouse and logistics industry report difficulties in recruitment, especially for manual laborers and middle management positions. Employers must rely on innovative methods of talent acquisition, such as





collaborating with technical universities, organizing internships, and creating career development programs. Companies often also turn to specialized headhunting firms to acquire the best talent, as they face challenges reaching them independently.

## Automation and the Future of Employment

Trends indicate continued development in the automation of logistics, warehouse, and production processes, which may reduce the demand for manual labor in the short term. On the other hand, there is an increasing demand for specialists in the operation of advanced technologies such as robotics, automation, artificial intelligence, and the Internet of Things (IoT). These changes prompt companies to invest in the development of their employees' skills, offering courses and training related to modern warehouse systems or advanced production lines, and encouraging the search for new talent to strengthen existing teams.

Experts predict that in the coming years, the most sought-after specialists will include supply chain managers, logistics data analysts, and automation engineers. In the production sector, increasing importance will be placed on individuals involved in designing and implementing new technological solutions that enable more efficient process management. The manufacturing sector will also face the impact of artificial intelligence development and advancing automation, aiming to meet numerous standards, stabilize product prices, and improve cost efficiency.

## Best Practices in Personnel Management in Logistics and Manufacturing

Companies in the logistics and manufacturing sectors that successfully attract and retain employees implement a range of best practices. Transparency in the recruitment process, aligning job offers with the actual needs of employees, and creating opportunities for career development are crucial factors before entering into collaboration with a potential candidate. Employers are increasingly adopting work flexibility, using hybrid work models for positions where this is technologically or process-wise feasible. Moreover, companies are investing in motivational and loyalty programs that support long-term retention of talent. These include, among other things, bonus programs and the development of career paths.

The logistics and manufacturing industries in Poland face many challenges, but their growth is essential to maintaining the competitiveness of the economy. Rising salaries, changing employee expectations, and the increasing role of technology are key elements shaping the future of the sector. Companies that successfully adapt to these changes will gain a competitive advantage in the market and can expect continued growth and enhanced operational efficiency.

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