Warehouse market

Knight Frank

Q3 2024

The comprehensive guide to the warehouse market in Upper Silesia

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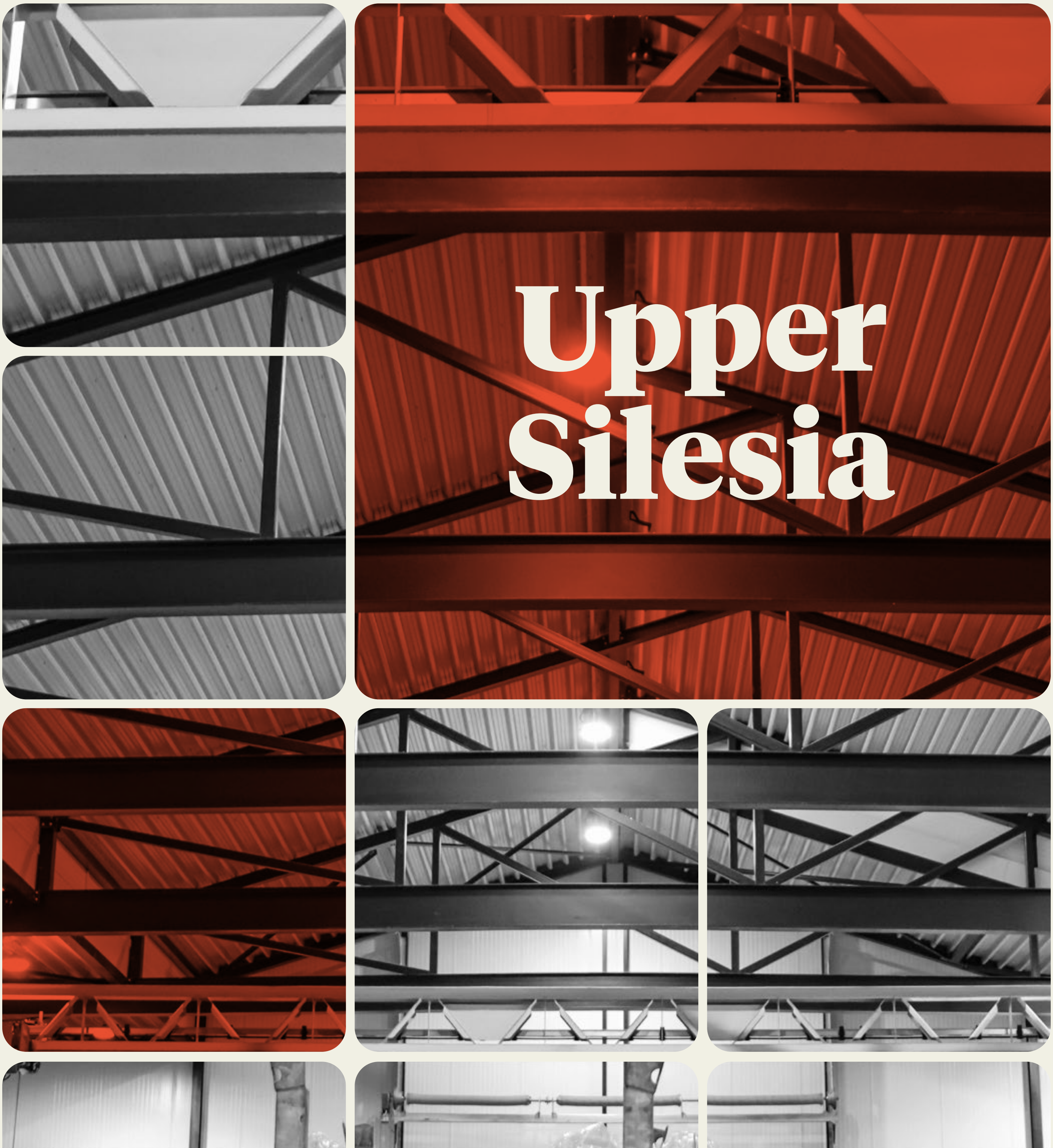


Upper Silesia

Q3 2024

Existing warehouse stock
5.7m sq m

Supply under construction
290,000 sq m

Vacancy rate
5.0%

New supply
(Q1-Q3 2024)
260,000 sq m

Take-up
(Q1-Q3 2024)
590,000 sq m

Standard lease terms in warehouse buildings

Asking rents for warehouse space
EUR/sq m/month
3.50-6.00

Asking rents for office space
EUR/sq m/month
10.00-12.50

Service charge
PLN/sq m/month
4.00-7.00

Rent-free period
1-1.5 month

The Upper Silesia region is the second-largest warehouse market in Poland, with a stock of 5.7 million sq m at the end of Q3 2024, accounting for 16.7% of Poland's total warehouse stock. The region's appeal stems from its extensive road infrastructure (the A1 and A4 highways), a large pool of skilled labour, and its proximity to the Czech Republic, Germany, and Slovakia. The market is concentrated around cities such as Będzin, Gliwice, Sosnowiec, Tychy, and Bielsko-Biała.

Over the past year, the stock of warehouse space in Upper Silesia increased by 8%. From January to September 2024, developers delivered 260,000 sq m of modern space, representing a 45% decrease compared to the same period last year. In Q3 2024, over 104,000 sq m were delivered to the market, with the largest projects being Panattoni Park Knurów (34,600 sq m), Panattoni Park Ruda Śląska IV (30,700 sq m), and Panattoni Park Ruda Śląska II (15,600 sq m).

Currently, there are 290,000 sq m of warehouse space under construction, reflecting market stability compared to the previous year and quarter. The largest ongoing projects include Booster Zabrze by LemonTree (40,000 sq m and 12,000 sq m) and Panattoni Park Sosnowiec Expo (47,700 sq m), which began construction in Q3 2024. During this period, construction commenced on a total of 120,000 sq m across five warehouse halls. Approximately 40% of the space under construction has been secured by lease agreements.

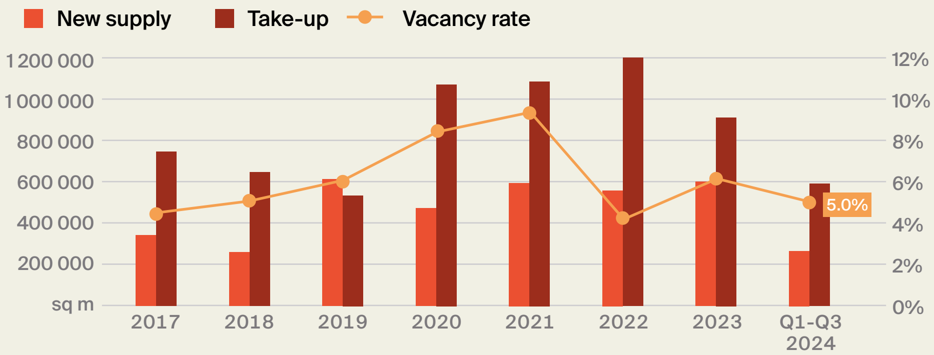
Demand for warehouse space rental in Upper Silesia from January to September 2024 decreased by 11% year-on-year, totalling 590,000 sq m. In Q3 2024, 121,000 sq m were leased—half the amount of the previous quarter and 60% less than the previous year. Nevertheless, Upper Silesia remains one of the three most frequently chosen regions by tenants in Poland. The largest lease transactions included the renewal of a contract in Logicor Sosnowiec (16,300 sq m), an expansion in Fortress Logistic Park Zabrze (11,500 sq m), and a renewal in EQT Exeter Park Czeladź (11,400 sq m).

In Q3 2024, the contract structure was balanced, with new contracts accounting for 42% of the volume, renewals for 43%, and expansions for 15%.

Despite the decrease in the amount of leased space, demand still exceeded new supply, resulting in a vacancy rate that decreased by 2 pp year-on-year to 5.0% at the end of Q3 2024. The vacancy rate in Upper Silesia is one of the lowest among the main warehouse markets in Poland and remains below the national average of 8%.

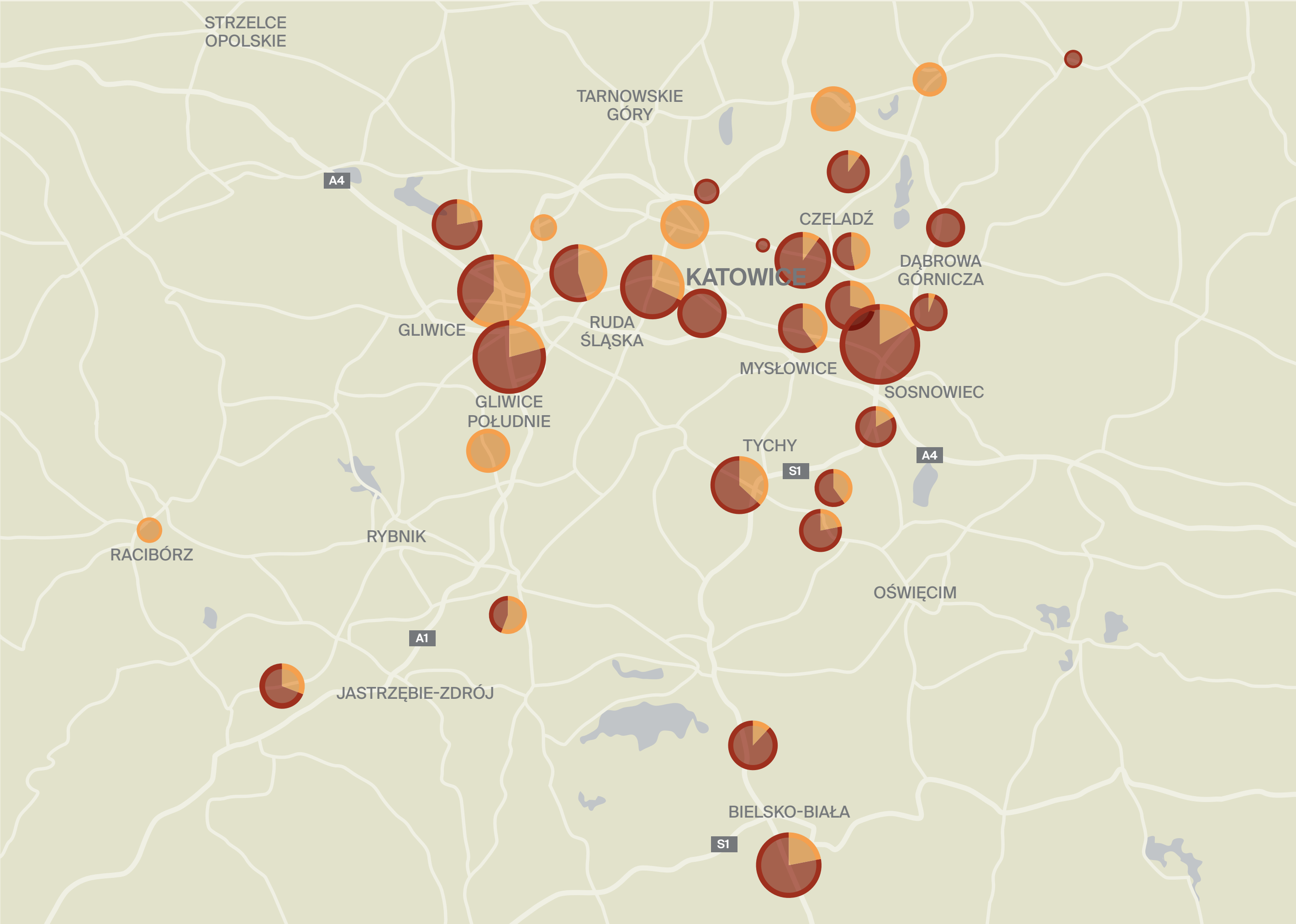
In Q3 2024, asking rents remained stable compared to the previous quarter, ranging from EUR 3.50 to 6.00/sq m/month.

New warehouse supply, annual take-up, vacancy rate in Upper Silesia



Source: Knight Frank

Location of warehouse developments in the region



Source: Knight Frank

Existing, under construction and planned warehouse space

% share of existing stock

% share of under construction and planned supply

TOP 5 warehouse destinations in the region
(by existing stock)

1. Sosnowiec South
630,000 sq m

2. Gliwice South
470,000 sq m

3. Ruda Śląska
390,000 sq m

4. Czeladź
310,000 sq m

5. Gliwice
300,000 sq m

Śląskie Voivodeship

Population
4.3m

Voivodeship area
12,334 sq km

ECONOMIC DATA
(09.2024, STATISTICS POLAND)

Unemployment rate
3.6%

Average monthly salary
(enterprise sector)
PLN **8,264** (gross)

Average monthly salary
(transportation and storage sector)
PLN **7,950** (gross)

HIGH-SPEED ROADS

Highways
250 km
A1, A4

Expressways
130 km
S1, S52, S86

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Substantive preparation: Szymon Sobiecki / Research / Knight Frank

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