Warehouse market

Q3 2024

The comprehensive guide to the warehouse market in Central Poland

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Central Poland

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Q3 2024

Existing warehouse stock
4.8m sq m

Supply under construction
240,000 sq m

Vacancy rate
11.2%

New supply
(Q1-Q3 2024)
290,000 sq m

Take-up
(Q1-Q3 2024)
640,000 sq m

Standard lease terms in warehouse buildings

Asking rents for warehouse space
EUR/sq m/month
3.50-4.50

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 Central Poland region ranks as the third-largest warehouse market in Poland, behind Warsaw and Upper Silesia. It's an attractive location for logistics operators and retail chains, who establish their central warehouses and distribution centers there to serve the entire country. The region's appeal has further increased with the opening of a rail connection to Chengdu in China. Key logistics locations include Stryków, Łódź, Piotrków Trybunalski, and the vicinity of Konin, benefiting from the proximity to the A1 motorway.

At the end of Q3 2024, the region's warehouse space reached 4.8 million sq m, accounting for 13.9% of the national total. Since the start of the year, 290,000 sq m of modern space have been added to the market, reflecting an 11% decrease compared to the previous year. However, in Q3 2024 alone, 140,000 sq m were delivered, marking an increase from both the previous quarter and Q3 2023. Notable facilities include the Hillwood Zgierz II complex (50,200 sq m and 26,800 sq m), Panattoni Park Łódź West II (31,800 sq m), and Panattoni BTS K-Flex (20,000 sq m).

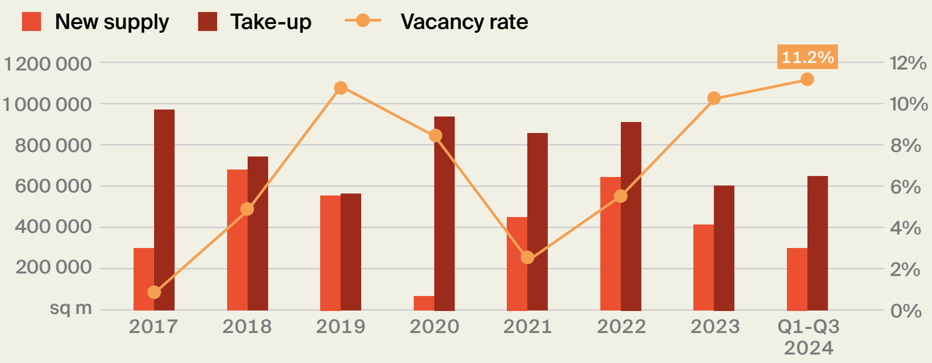
Despite declining developer activity, with 240,000 sq m under construction at the end of September 2024 (a 26% decrease from the previous quarter), significant projects continue. Construction in Q3 2024 commenced on a single facility in Prologis Park Łódź (41,500 sq m), while the largest ongoing project is the Tuszyn Warehouse Park, with an area of 59,000 sq m.

Speculative development remains limited, with over half (54%) of the space under construction already secured by lease agreements.

Demand for warehouse space in the region has revived significantly. Between January and September 2024, 640,000 sq m were leased, a 70% increase from the same period last year. Central Poland is the second most popular region for tenants in Poland, after Warsaw. In Q3 2024, major deals included a lease renewal in Loogic Park Radomsko (54,000 sq m), a new contract in Prologis Park Łódź (41,500 sq m), and a lease renewal in Hillwood Łódź Górna (38,200 sq m). Contract composition was nearly evenly split between renewals (51%) and new contracts (48%), with expansions making up only 2%.

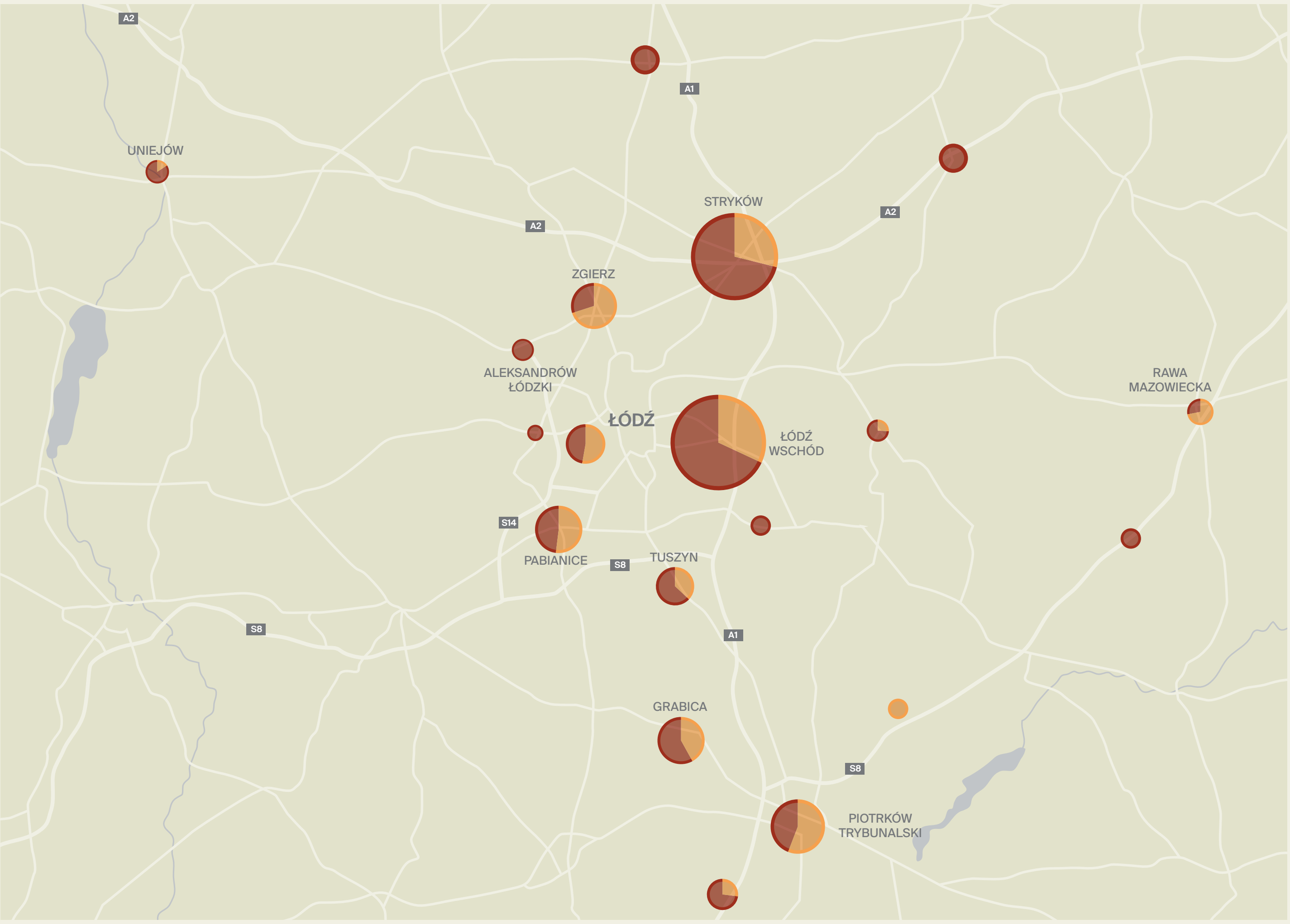
Despite strong demand, the vacancy rate slightly increased, reaching 11.2% at the end of September (a 0.4 pp rise quarter on quarter), due to the large supply delivered in Q3. Asking rents in Q3 2024 remained unchanged from the previous quarter.

New warehouse supply, annual take-up, vacancy rate in Central Poland



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. **Łódź East** 1.42m sq m
2. **Stryków** 1.1m sq m
3. **Grabica** 270,000 sq m
4. **Łódź West** 220,000 sq m
5. **Zgierz** 210,000 sq m

Łódzkie Voivodeship

Population
2.4m

Voivodeship area
18,218 sq km

ECONOMIC DATA
(09.2024, STATISTICS POLAND)

Unemployment rate
5.4%

Average monthly salary
(enterprise sector)
PLN **7,630** (gross)

Average monthly salary
(transportation and storage sector)
PLN **8,160** (gross)

HIGH-SPEED ROADS

Highways
275 km
A1, A2

Expressways
250 km
S8, S14

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