Warehouse market

Q4 2023

The comprehensive guide to the warehouse market in Central Poland

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Central Poland

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Q4 2023

Existing warehouse stock
4.5m sq m

Supply under construction
400,000 sq m

Vacancy rate
10.2%

New supply
(2023)
420,000 sq m

Take-up
(2023)
610,000 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
10.00-11.50

Service charge
PLN/sq m/month
4.00-7.00

Rent-free period
1-1.5 month

Central Poland is the third-largest warehouse market in Poland, behind only Warsaw and Upper Silesia in scale. The region's warehouse space stock reached 4.5m sq m in Q4 2023, constituting almost 14% of the total volume in Poland. Due to its strategic location, Central Poland remains an appealing choice for logistics operators and retail chains seeking to establish their central warehousing and distribution centres to cater to the entire country. Moreover, the activation of the railway connection to Chengdu in China has significantly enhanced the region's allure. Presently, there are three intermodal terminals operational in Central Poland, two of which are within the administrative boundaries of Łódź, and the third being the transshipment terminal in Stryków. Notably, Konin and its surrounding area have recently emerged as an increasingly attractive location for the logistics sector, with an expected expansion in warehouse supply owing to its proximity to the A1 highway.

In Central Poland, the volume of warehouse space has shown a steady increase over the past year, growing by over 10%. In 2023, the delivery of modern warehouse space exceeded 420,000 sq m, marking a decrease of more than 35% compared to 2022. However, the overall new supply remained in line with the average annual supply of the past five years. The significant facilities that received occupancy permits in 2023 include Hillwood Łódź II (97,000 sq m), Hillwood Rawa Mazowiecka (78,000 sq m), and 7R Park Łódź East (47,000 sq m).

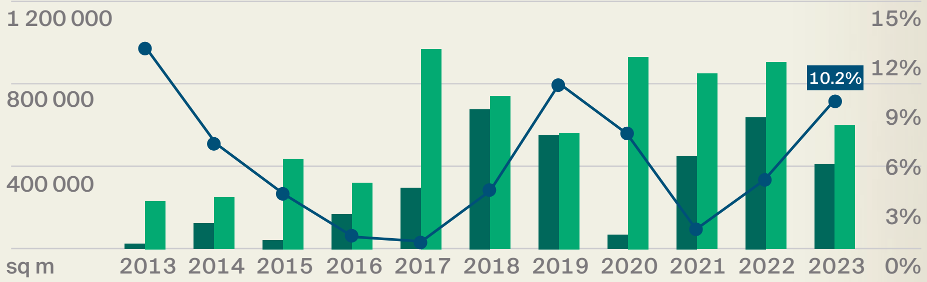
At the end of December 2023, over 400,000 sq m of warehouse space were under construction, with the largest project being the Tuszyn Warehouse Park covering an area of 57,000 sq m. The total volume of space under construction saw an increase compared to the previous quarter and the equivalent period from the previous year. Moreover, construction of 120,000 sq m of modern logistics space commenced between October and December 2023, with approximately 30% of the developed space already secured through leases.

In Central Poland, the total volume of leased warehouse space reached 610,000 sq m, indicating a decrease of more than 30% compared to 2022. Transactions signed in this region constituted approximately 11% of the total volume of transactions in Poland in 2023. Throughout the past year, the volume of warehouse leasing transactions was over 100,000 sq m lower than the average annual take-up over the previous five years. Notable warehouse transactions in Central Poland included a new deal at Logicor Strykow for 49,000 sqm, and two deals at the P3 Piotrków park totalling 44,000 sq m and 38,000 sq m, respectively.

In Central Poland, the vacancy rate stood at 10.2% by the end of Q4 2023, showing a 4.7 pp increase compared to the value from the previous year. This rise in vacancy rate was attributable to reduced tenant activity.

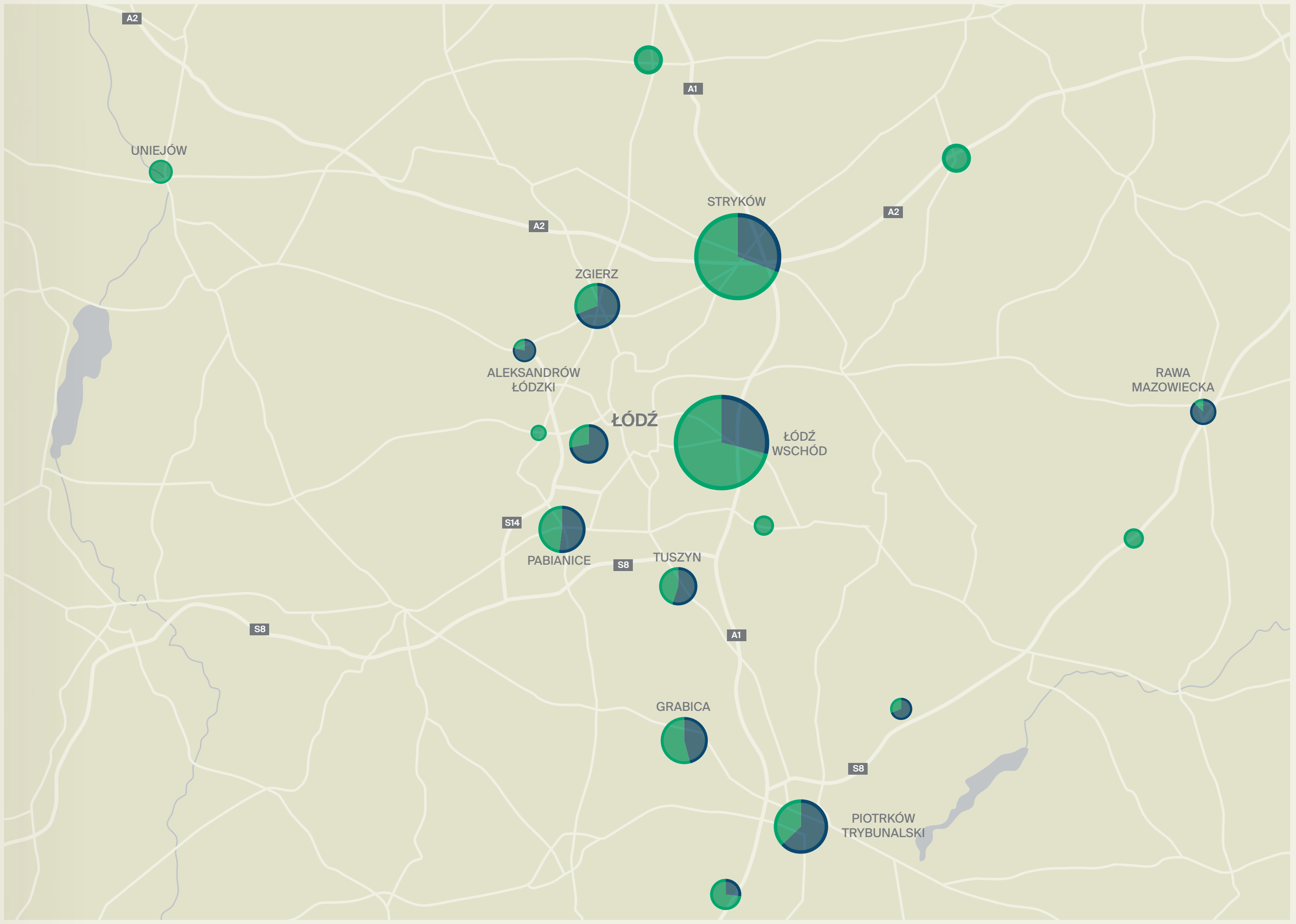
Meanwhile, in Q4 2023, asking rents in the warehouse sector in Central Poland remained consistent with the levels seen in the previous quarter.

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



Source: Knight Frank

Location of warehouse projects 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
1.34m sq m
2. Stryków
1.08m sq m
3. Grabica
270,000 sq m
4. Piotrków Trybunalski
210,000 sq m
5. Łódź West
180,000 sq m

Łódzkie Voivodeship

Population
2.4m

Voivodeship area
18,218 sq km

ECONOMIC DATA
(12.2023, STATISTICS POLAND)

Unemployment rate
5.4%

Average monthly salary
(enterprise sector)
PLN **7,570** (gross)

Average monthly salary
(transportation and storage sector)
PLN **7,350** (gross)

HIGH-SPEED ROADS

Highways
250 km
A1, A2

Expressways
230 km
S8, S14

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