Warehouse market

Q3 2024

The comprehensive guide to the warehouse market in Warsaw

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WAREHOUSE MARKET

Warsaw

Q3 2024

Existing warehouse stock
6.7m sq m

Supply under construction
330,000 sq m

Vacancy rate
7.5%

New supply
(Q1-Q3 2024)
310,000 sq m

Take-up
(Q1-Q3 2024)
850,000 sq m

Standard lease terms in warehouse buildings

Asking rents for warehouse space
EUR/sq m/month
3.50-7.50

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

Warsaw and its surrounding areas constitute the largest concentration of warehouse facilities in Poland. At the end of Q3 2024, the warehouse stock in the Warsaw agglomeration reached 6.7 million sq m, accounting for 19.8% of the total warehouse space in the country. The logistics facilities in Warsaw vary in specifications, quality, and location, and are divided into two zones:

- **Zone I** - Encompassing an area up to 12 km from the city centre, including locations such as Okęcie, Służewiec Przemysłowy, Targówek, and Żerań.
- **Zone II** - Extending from 12 to 50 km from the centre, covering towns such as Błonie, Ożarów Mazowiecki, Piaseczno, Nadarzyn, Pruszków, and Sochaczew. Zone II, primarily designated for large logistics parks, accounts for as much as 80% of the region's resources.

Developer activity remains limited. In Q1-Q3 2024, 310,000 sq m of new space were delivered to the Warsaw warehouse market, nearly half the amount of the same period in 2023 and below the five-year average. In Q3 2024, over 90,000 sq m of warehouse space were put into use, including facilities such as P3 Warsaw I – Lesznowola (50,200 sq m), two halls in Good Point V Łubna (9,200 sq m and 5,500 sq m), and an expanded hall within the A2 Warsaw East Park (7,500 sq m). Additionally, the Panattoni City Logistics Warsaw VI urban logistics facility (17,600 sq m) was completed in the same zone.

At the end of September 2024, nearly 330,000 sq m were under construction, reflecting a decrease of over 19% from the previous quarter and more than 35% from the same period in 2023. The largest ongoing project is the hall in CTPark Warsaw West, which spans 62,300 sq m and is set for completion in Q4 2024. Notably, over 60% of the space under construction has already been secured by lease agreements, indicating a decline in speculative investments.

Demand for warehouse space in Q1-Q3 2024 remained stable compared to the previous quarter, totaling 850,000 sq m. The highest tenant activity was observed in Q3 2024, when 340,000 sq m were leased,15% more than in the previous quarter.

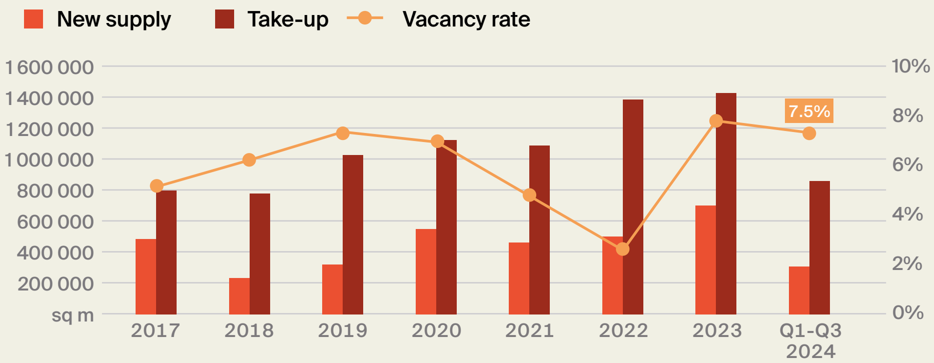
The largest transactions during this period included: a new contract in CTPark Warsaw West (63,000 sq m), a new contract in P3 Warsaw I – Lesznowola (50,200 sq m), and a renewal in P3 Błonie (19,200 sq m).

The structure of lease agreements in the Warsaw warehouse market was primarily dominated by new contracts, which accounted for 65% of the leased space. Contract renewals made up 30%, and expansions represented 5%.

At the end of Q3 2024, the vacancy rate in the Warsaw region was 7.5%, reflecting a decrease of 1.1 pp compared to the previous quarter. This change was due to high demand for warehouse space in Q3, which significantly exceeded new supply.

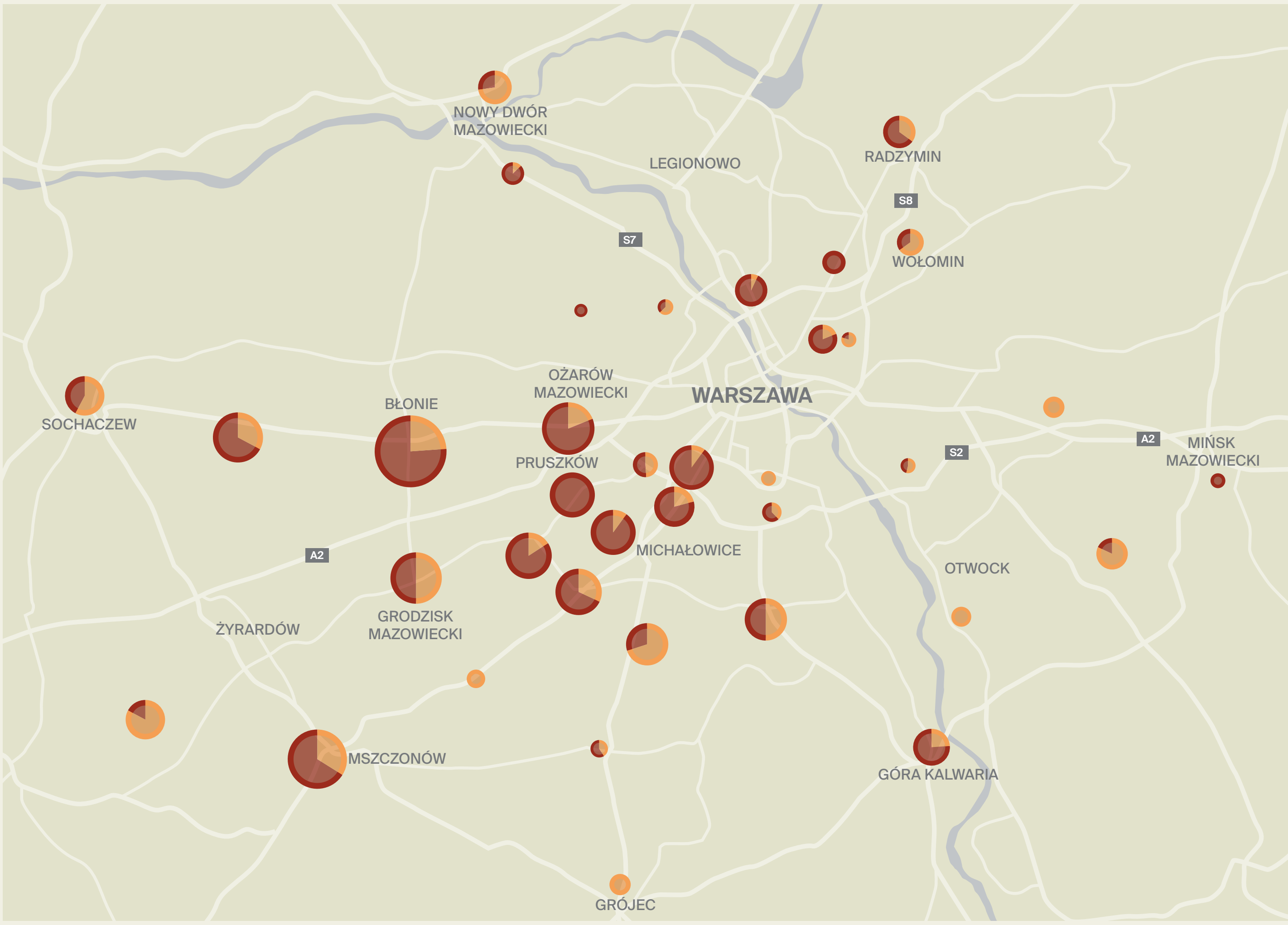
Asking rents in the Warsaw warehouse sector remained stable in Q3 2024, holding steady at the same level as the previous quarter.

New warehouse supply, annual take-up, vacancy rate in Warsaw



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. Błonie
800,000 sq m

2. Ożarów Mazowiecki
460,000 sq m

3. Pruszków
440,000 sq m

4. Mszczonów
430,000 sq m

5. Michałowice
400,000 sq m

Mazowieckie Voivodeship

Population
5.5m

Voivodeship area
35,559 sq km

ECONOMIC DATA
(09.2024, STATISTICS POLAND)

Unemployment rate
4.0%

Average monthly salary
(enterprise sector)
PLN **9,240** (gross)

Average monthly salary
(transportation and storage sector)
PLN **8,150** (gross)

HIGH-SPEED ROADS

Highways
80 km
A2

Expressways
500 km
S2, S7, S8, S17, S61

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