Investment market in Poland

Q3 2025

Overview of the commercial property investment market in Poland, review and outlook.

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The Polish investment market remains resilient, supported by increasing liquidity and a growing pipeline of transactions under negotiation, signalling an active fourth quarter ahead. Strong macroeconomic fundamentals, competitive yields, and record domestic capital participation reinforce expectations that investment volumes in 2025 will remain robust, underscoring Poland's long-term market potential yet below the volumes recorded in 2024.

The total investment volume for the first three quarters of 2025 reached EUR 2.6 billion, marking an 8% decline year-on-year. However, with over 100 deals closed, market liquidity remained in line with last year. Given the numerous transactions currently in advanced negotiations, we anticipate a strong rebound in Q4 although the overall investment volume is expected to be lower than in 2024.

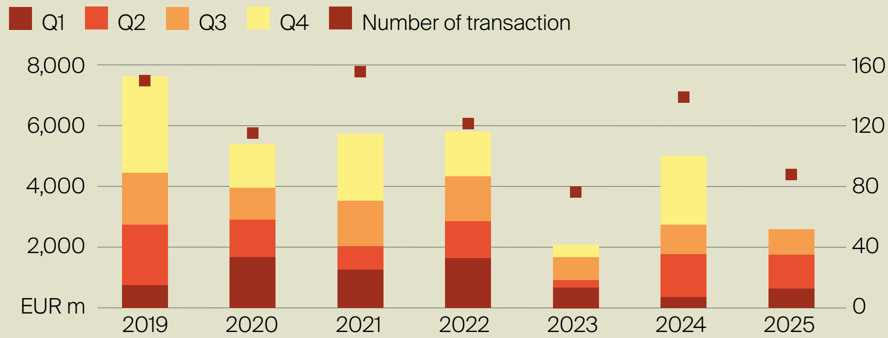
The Poland's investment market is in a phase of stable recovery and the volumes are expected to increase the next quarters.

OFFICE SECTOR

For the second consecutive year, office assets have maintained the largest share of total investment volume, reaching EUR 899 million in the first three quarters of 2025. Competitive pricing combined with prospects for capital value appreciation continues to position this segment as highly attractive to both large institutional investors, typically seeking stable, long-term returns, and local entities pursuing compelling capital placement opportunities. This trend is evidenced by notable transactions completed in 2025 by major international players, including Manova Partners, which acquired the Vibe office building in Warsaw at Rondo Daszyńskiego, and Generali, which purchased Dom Dochodowy.

Investment market recovery expected to sustain in 2025

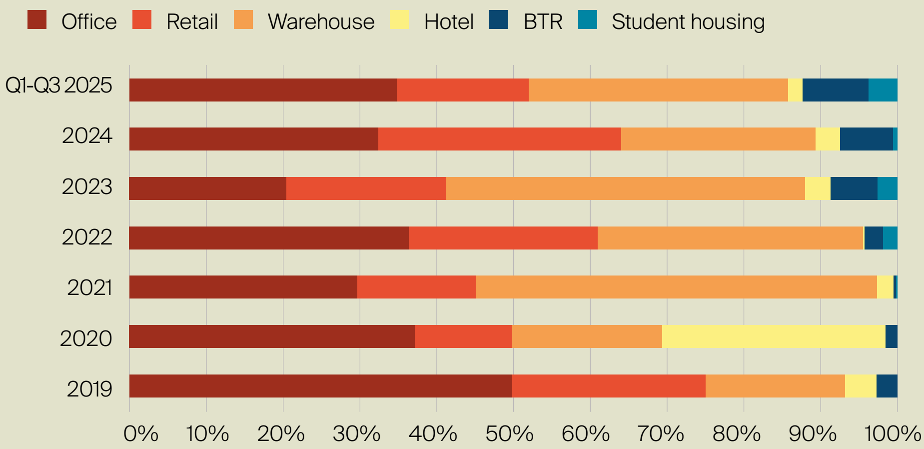
Total investment volume by quater (million EUR)



Source: Knight Frank

Office sector strengthens its share with industrial remaining a core asset

Investment volume by sector (% share)

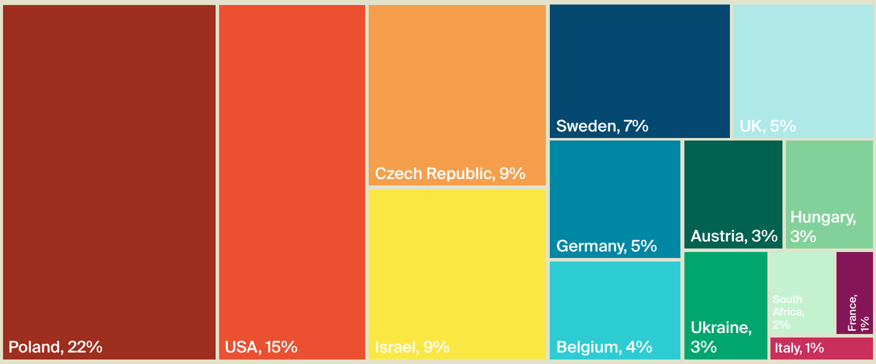


Source: Knight Frank

At the same time, nearly half of the office investment volume recorded in the first three quarters of 2025 came from local entities, with more than 40% of that attributable to a single transaction - the acquisition of a 50% stake in the Mennica Legacy Tower. The activity of domestic capital is particularly evident in regional markets, where office assets have been acquired not only by established real estate players but also by companies previously unassociated with the sector. This development highlights a significant shift in investment behaviour, signalling an increasing appetite among Polish investors for commercial real estate as a reliable and attractive vehicle for long-term capital allocation.

Polish capital with record share in total investment volume

Investment volume by capital origin (% share)



Source: Knight Frank

RETAIL SECTOR

Similar dynamics are observed in the retail segment. Of the EUR 453 million invested during Q1–Q3 2025, nearly 30% originated from local investors. The majority of transactions involved smaller retail assets of up to 10,000 sq m, typically located in towns with populations below 100,000 inhabitants. The average deal size remained under EUR 12 million, underscoring sustained demand for retail parks and convenience centers.

Large-scale transactions are also beginning to emerge. The most significant deal to date was the acquisition of 33,000 sq m Power Park Olsztyn, with additional major transactions anticipated before year-end. The retail sector continues to benefit from favorable macroeconomic conditions- robust consumer demand, rising wages, and low unemployment, reflected in a vacancy rate of just 2.8% in major urban markets.

WAREHOUSE SECTOR

The logistics sector remains one of the most attractive investment products in Poland. During the first three quarters of 2025, over EUR 873 million was invested in industrial and warehouse properties, representing 34% of the total investment volume. It is also the only segment that recorded year-on-year growth in Q1–Q3 2025, with an increase of 18% compared to the same period in 2024.

Sale-and-leaseback transactions continue to account for a significant share of investment activity in this sector. Between Q1 and Q3 2025, five out of 18 warehouse transactions were structured as sale-and-leaseback deals, contributing 44% of the sector's investment volume.

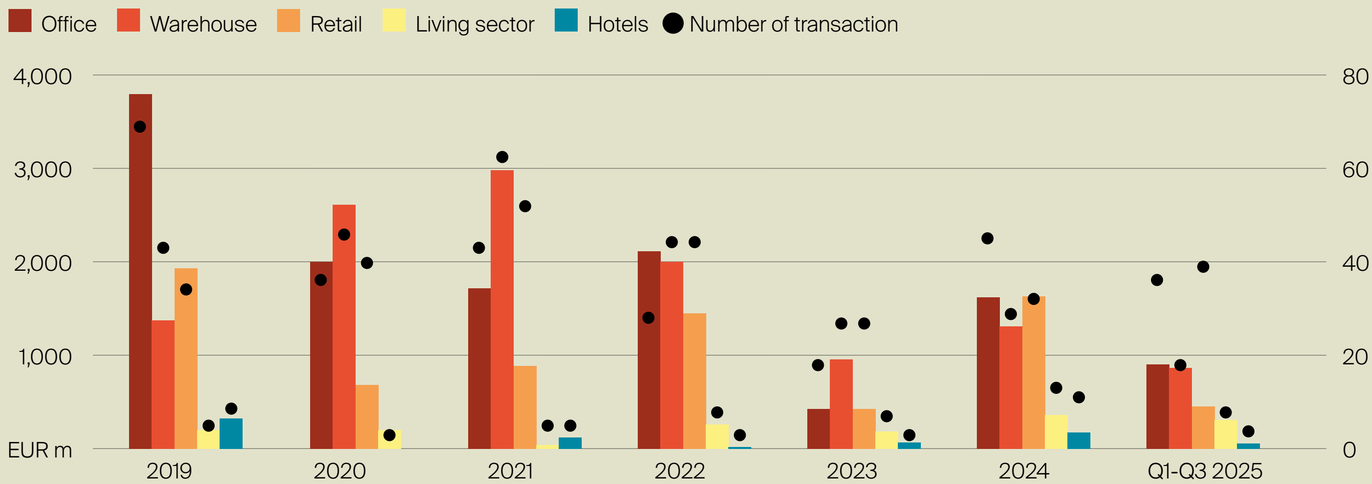
LIVING SECTOR

The living sector remains an emerging market, attracting nearly EUR 310 million in capital during Q1–Q3 2025, of which EUR 223 million was allocated to the institutional rental segment (Build-to-Rent, BTR) and EUR 87 million to private student housing. The sector continues to grow steadily, reaching a record 12% share of total investment volume in the first nine months of 2025. Strong fundamentals in Poland's residential market support this dynamic expansion, both in terms of supply and demand, as well as increasing investor interest.

Positive sentiment toward the Polish market is further evidenced by the preliminary agreement between Resi4Rent and Vantage Development for the sale of more than 5,300 rental apartments for EUR 565 million. This transaction, once finalised, will represent

Market liquidity remains high

Investment volume and transactions number by sector and year



Source: Knight Frank

the largest deal in the history of Poland's living sector and the single largest investment transaction in the domestic real estate market in 2025.

Yields remained stable in Q3 compared to the previous quarter and fr prime properties were estimated at 6.0% for offices, 6.25% for logistics, 6.25% for shopping centers, 5.5% for institutional rental (BTR), and 6.0% for private student housing. The Polish market continues to offer yields significantly above those observed in Western Europe, further enhancing its attractiveness to investors. Also, within the Central European region, yields levels in Poland remain competitive and higher than in smaller markets such as the Czech Republic, supporting the expansion of regional investors into Poland.

An additional factor stimulating investment market activity is the favorable macroeconomic environment, including robust GDP growth, forecasted to exceed 3% annually over the next three years (compared to the EU average of 1.4%). This positions Poland among the leading economies in the European Union in terms of growth dynamics.

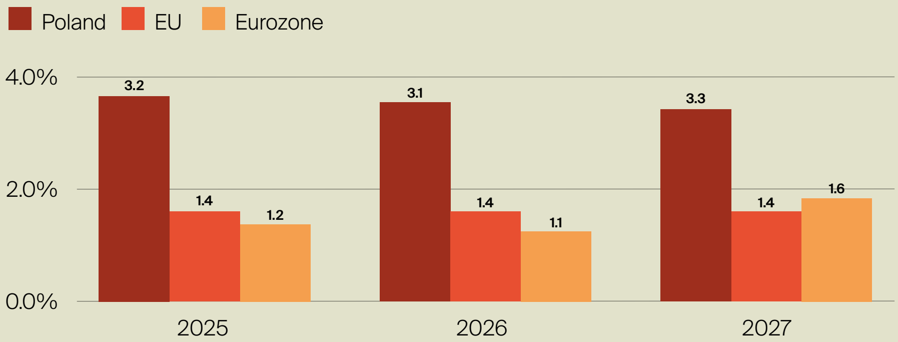
The largest investment transactions in Q3 2025

Name	City	Sector	GLA (sq m)	Buyer
Mennica Legacy Tower - 50% stake	Warsaw	office	32,800	Mennica Polska
Vibe	Warsaw	office	15,800	Manova Partners
Panattoni Park Rzeszów North	Rzeszów	warehouse	90,300	Arete Investment Group
Nefryt & Topaz	Warsaw	office	28,900	Zetland Capital

Source: Knight Frank

Poland is one of the fastest growing economies in EU

GDP growth forecast (%)



Source: Komisja Europejska

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