




# The industrial market in Poland in Q1-Q3 2023

  
**31.07** m sq m  
 (+15% y/y)  
 Total stock

  
**3.12** m sq m  
 (-13% y/y)  
 New completions  
 (Q1-Q3 2023)

  
**2.5** m sq m  
 (-37% y/y)  
 Under construction

  
**3.75** m sq m  
 (-25% y/y)  
 Gross take-up  
 (Q1-Q3 2023)

  
**2.43** m sq m  
 (-29% y/y)  
 Net take-up  
 (Q1-Q3 2023)


  
**7.8%**  
 (+3.4 p.p. y/y)  
 Vacancy rate

  
**€3.6–5.5**  
 per sq m/per month  
 Asking rents

# Investement market

A cyclical slowdown in the Polish economy has had an impact on the industrial real estate market. The volume of investment transactions concluded in the sector in the first three quarters of the year totaled EUR 842 million, which marked a 45% decline compared to the corresponding period of 2022.

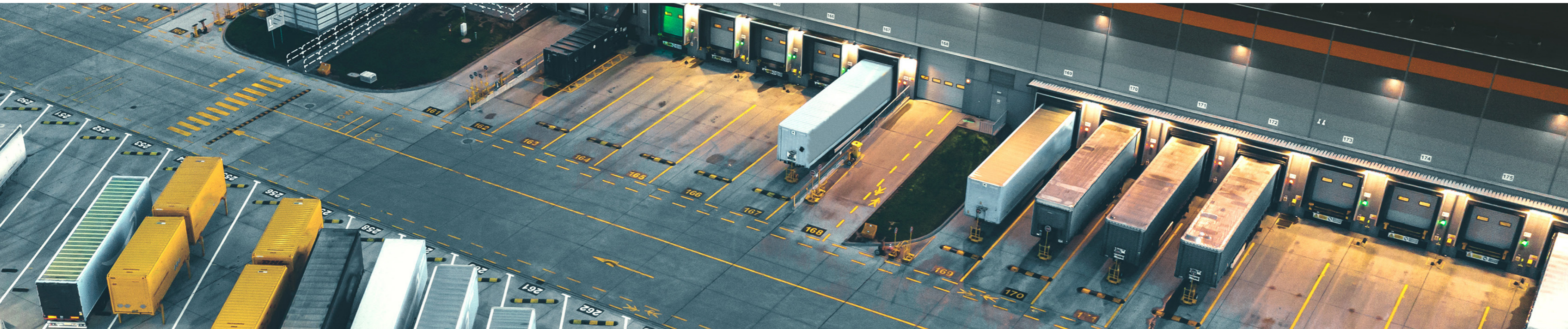
It was nevertheless a better result compared to the rest of the commercial real estate (CRE) market, with industrial assets accounting for 50% of total CRE volumes. Sales of individual assets dominated in the first half of 2023, while Q3 saw a return of portfolio transactions.

 **EUR 842 million** (-45%/y)

## Selected investment transactions in Q1-Q3 2023

Scheme	Voivodeship	Location	GLA (sq m)	Seller	Buyer	Period
7R shares (80%)	Nationwide	Nationwide	approx. 1.8 m (existing) & 2.3 m (pipeline)	7R	NREP	Q3
Panattoni portfolio of 3 parks	łódzkie, śląskie, wielkopolskie	Wola Rakowa, Swadzim, Żory	134,800	Panattoni	EQT Exeter	Q3
7R City Flex Gdańsk II	pomorskie	Gdańsk	11,500	7R	GLP	Q3
7R Łódź & Szczecin	łódzkie, zachodniopomorskie	Łódź, Szczecin	95,900	7R	P3	Q3
K-Flex VI Uniejów	łódzkie	Wielenin/Uniejów	32,999	Panattoni	LCN Capital	Q2
7R Park Poznań East II	wielkopolskie	Franowo	51,499	7R	DWS Group	Q1
Panattoni City Logistics Wrocław II	dolnośląskie	Wrocław	38,000	Panattoni	Trigea Nemovitostni	Q1
Panattoni Park Wrocław Campus 39	dolnośląskie	Wrocław	184,995	Panattoni	P3	Q1


Source: AXI IMMO, Q3 2023



# Demand

Weaker economic conditions and elevated financing costs have affected both the supply and demand in the industrial sector. A total of 3.75 million sq m was leased between January and September - 25% less compared to the corresponding period in 2022.

New leases and expansions accounted for almost 65% of leasing activity. The largest amount of space was leased in the Mazowieckie Voivodeship (391k sq m), followed by Śląskie (311k sq m) and Dolnośląskie (296k sq m).

 **65%** - new leases and expansions

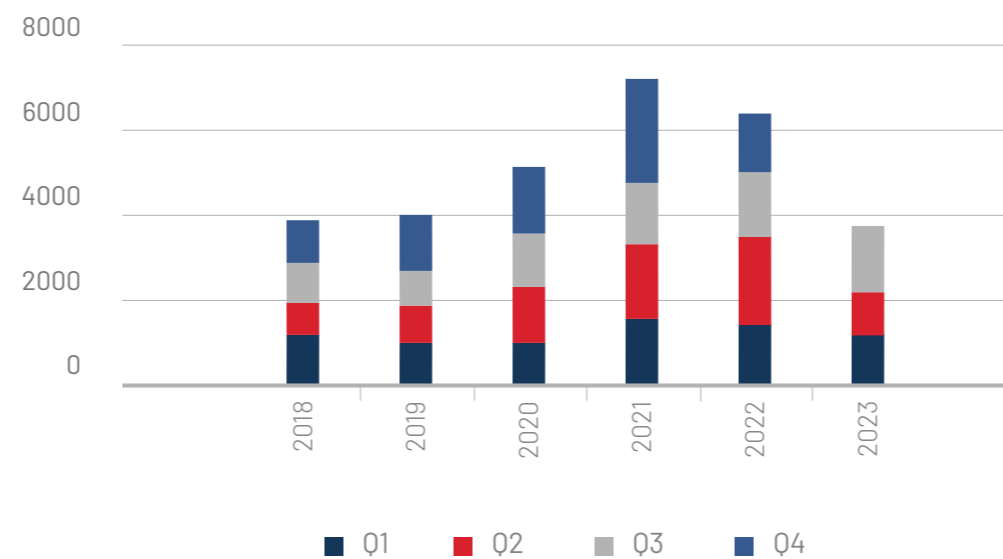


## Selected lease transactions in Q1-Q3 2023

Project	Voivodeship	Space (sq m)	Tenant	Business sector	Type of deal	Period
DL Invest Psary/Czeladź	śląskie	120,000	confidential	retail	new	Q3
CTPark Warsaw West (Wiskitki)	mazowieckie	110,000	Raben	logistics	new	Q3
GLP Wrocław V Logistics Centre	dolnośląskie	86,200	confidential	n/a	expansion	Q3
GLP Kraków III Logistics Centre	małopolskie	56,200	MCG East Bridge	logistics	new + expansion	Q2 AXI IMMO deal
Panattoni Park Szczecin I	zachodniopomorskie	56,000	Tyco Electronics Polska	production / electronics	renewal	Q1
Panattoni Park Wrocław Logistics South Hub	dolnośląskie	55,000	Shein	e-commerce	new	Q1
Logicor Stryków	łódzkie	50,150	Leroy Merlin	retail	expansion + renewal	Q3 AXI IMMO deal

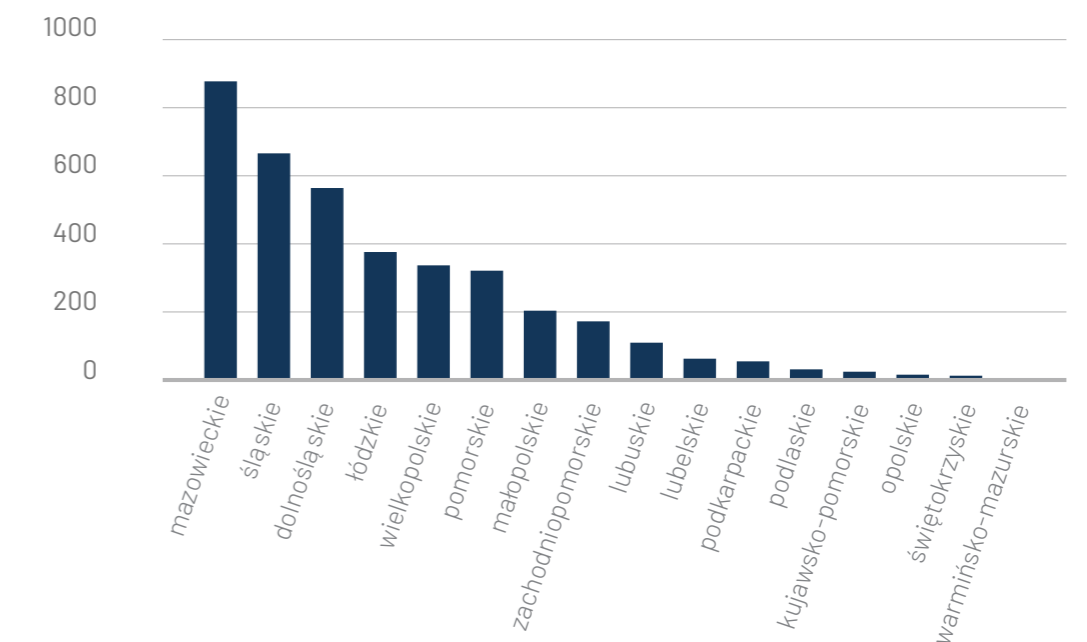
Source: AXI IMMO, Q3 2023

## Gross take-up in Poland (000s sq m)



Source: AXI IMMO, Q3 2023

## Gross take-up in Q1-Q3 2023 by Voivodeship (000s sqm)



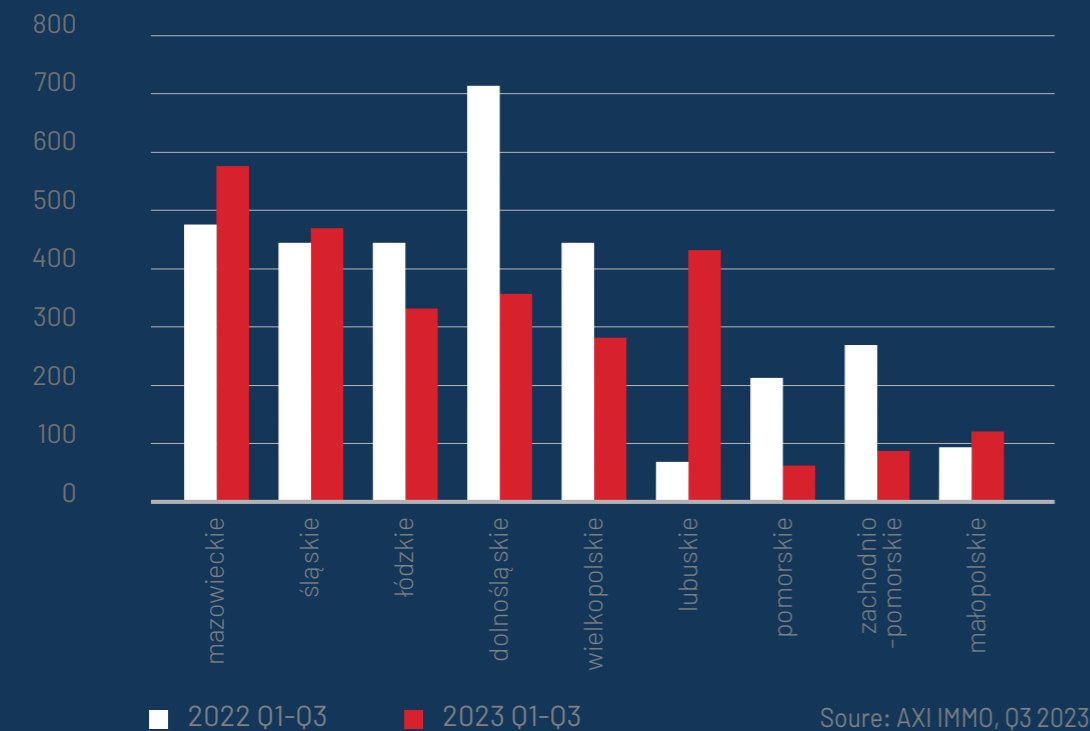
Source: AXI IMMO, Q3 2023

# Supply

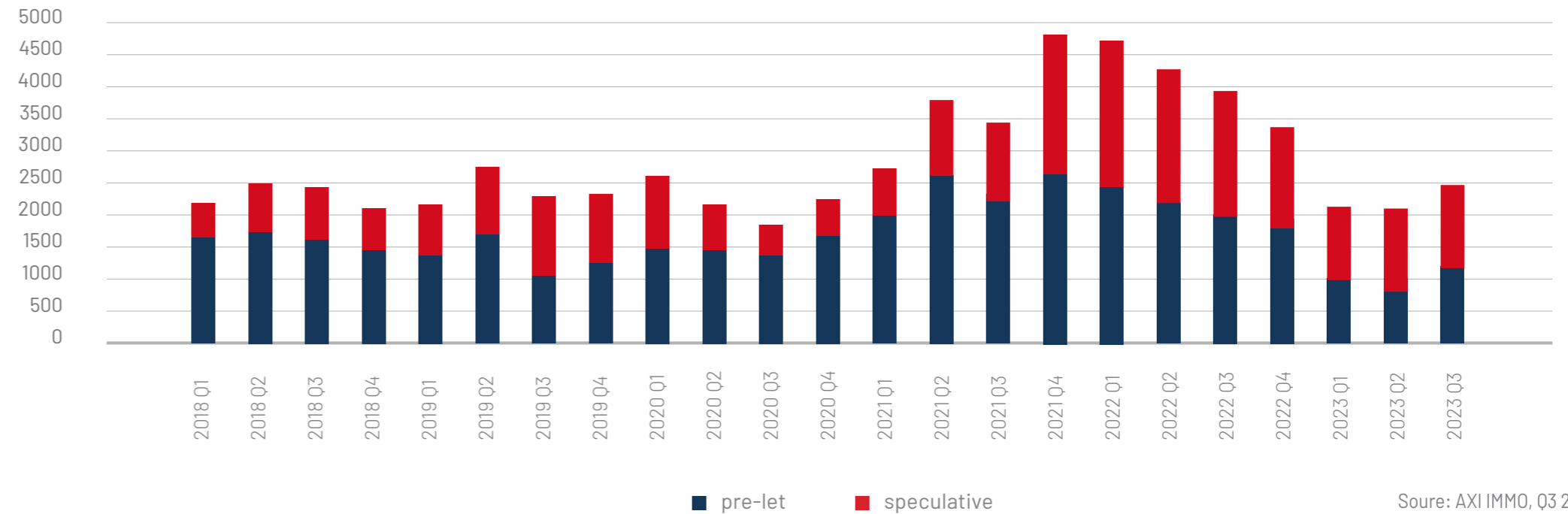
Total stock of modern industrial space reached a level of 31.07 million sq m at the end of September 2023. New completions in the first nine months of the year totaled 3.12 million sq m - 13% less compared to the first three quarters of 2022. By region, the largest amount of new space was delivered in Mazowieckie (575k sq m), Śląskie (472k sq m) and Lubuskie (437k sq m).

Weaker demand and more difficulty with securing financing have been reflected in the number of schemes being built. As of the end of September 2023, there was just 2.5 million sq m of industrial space under construction - 36% less compared to the corresponding period of last year. Mazowieckie, Dolnośląskie and Łódzkie are currently attracting the highest level of development activity.

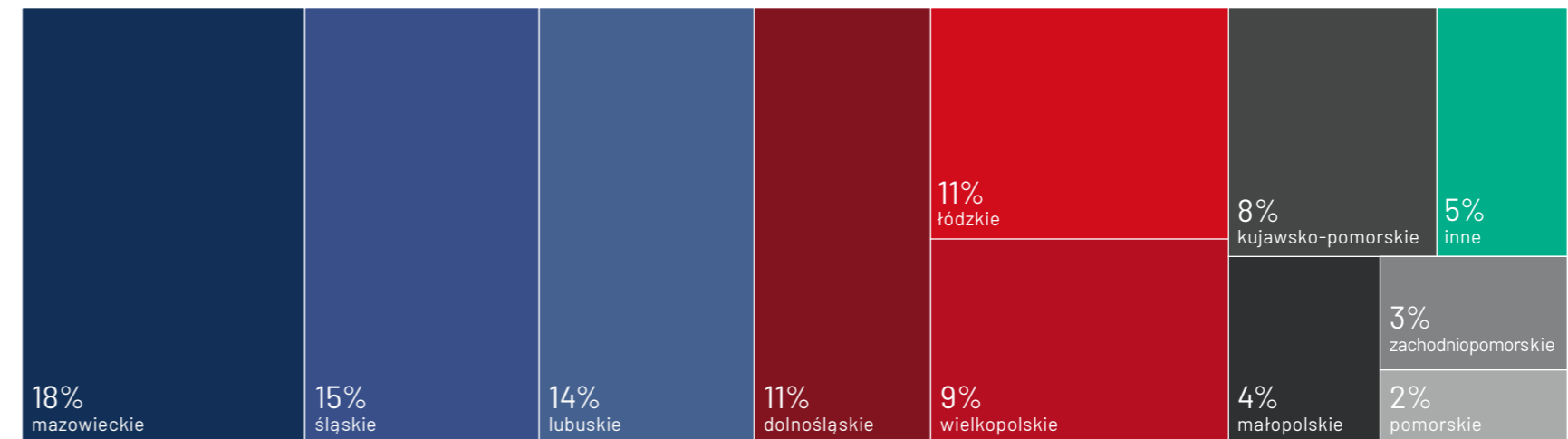
## Cumulative new completions (000s sq m) in major industrial regions in Poland (2023 vs 2022)



## Space under construction in Poland (000s sq m)



## New completions in Q1-Q3 2023 by Voivodeship (000s sq m)



# Vacancy and rental rates

The vacancy rate increased by 1.1 p.p q/q and 3.4 p.p y/y in Q3 2023 to 7.8% due to the delivery of several large speculative projects, which coincided with weaker demand. In percentage terms, the highest availability was recorded in Świętokrzyskie (18.4%), Lubuskie (15.7%) and Łódzkie (11.7%).

Rental rates for prime big box projects have remained broadly stable in the range of EUR 3.6 to 5.5 per sq m per month. Effective rates are on average 20 to 25% lower, albeit a lot depends on individual asset characteristics and the supply-demand dynamics in a given micro location.

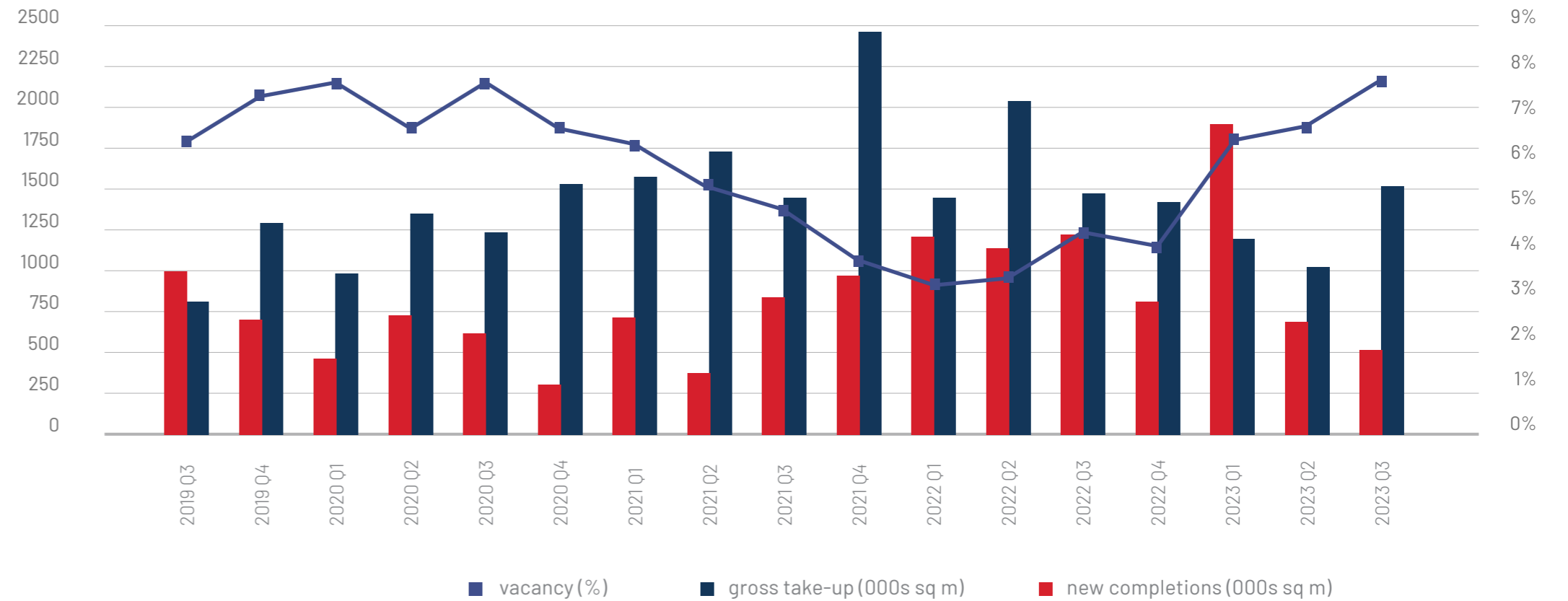
Although the performance of the industrial sector has weakened in 2023, it still has strong fundamentals and bright prospects for long term growth. The current soft patch in demand from logistics operators and e-commerce firms will be partially offset by stronger appetite for space from production firms, which are considering relocation closer to consumer markets. On the supply side, we are likely to see a higher number of pre-let and BTS development projects.



Asking rents

**EUR 3.6 – 5.5** per sq m, per month

## New completions, gross take-up, and vacancy rate in Poland



Source: AXI IMMO, Q3 2023

Open to change  
on the commercial  
real estate market

**Anna Głowacz**

Head of Industrial - Leasing Agency

[anna.glowacz@axiimmo.com](mailto:anna.glowacz@axiimmo.com)

+48 797 420 950

**Monika Rykowska**

Research & Marketing Director

[monika.rykowska@axiimmo.com](mailto:monika.rykowska@axiimmo.com)

+48 725 900 100

**Monika Sujkowska**

Research Manager

[monika.sujkowska@axiimmo.com](mailto:monika.sujkowska@axiimmo.com)

+48 721 999 111

**Lidia Zawila**

Research Manager

[lidia.zawila@axiimmo.com](mailto:lidia.zawila@axiimmo.com)

+48 882 602 606