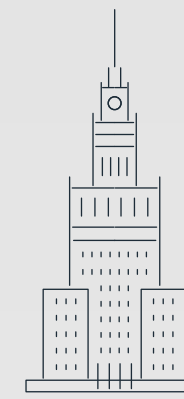


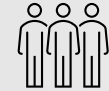




AT A GLANCE

Q4 2024

WARSAW OFFICE MARKET



Economic indicators – Warsaw

	Population (June 2024)	1.86 mln
	Unemployment rate (November 2024)	1.4%
	Average salary PLN gross (November 2024)	9,940
	Number of students (academic year 2023/2024)	261,300
	Number of universities (academic year 2023/2024)	63

Source: Statistics Poland

Highlights

- Limited supply of new office space in Warsaw
- Tenant activity at a stable level
- A slight decrease in the vacancy rate results in reduced available space
- Reduced rental incentives in ESG projects
- Asking rents for the best offices in Warsaw remained stable in 2024



Source: BNP Paribas Real Estate Poland




KEY FIGURES

6.29 M sqm
EXISTING OFFICE SPACE

29,400 sqm
NEW SUPPLY Q4

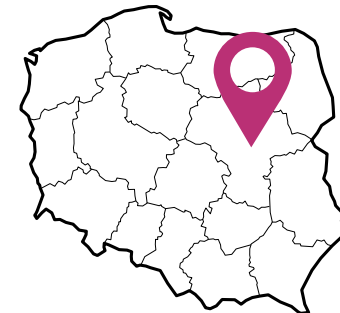
273,000 sqm
SPACE UNDER CONSTRUCTION*
(2025-2026)

10,6%  **-0.1 p.p q/q**
AVERAGE VACANCY RATE

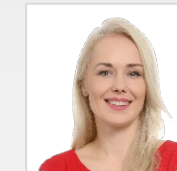
*also includes reconstruction of facilities

30 EUR
(sqm/mth)
PRIME RENT

244,100 sqm  **+3.0 % y/y**
GROSS DEMAND Q4



Expert comment



Małgorzata Fibakiewicz

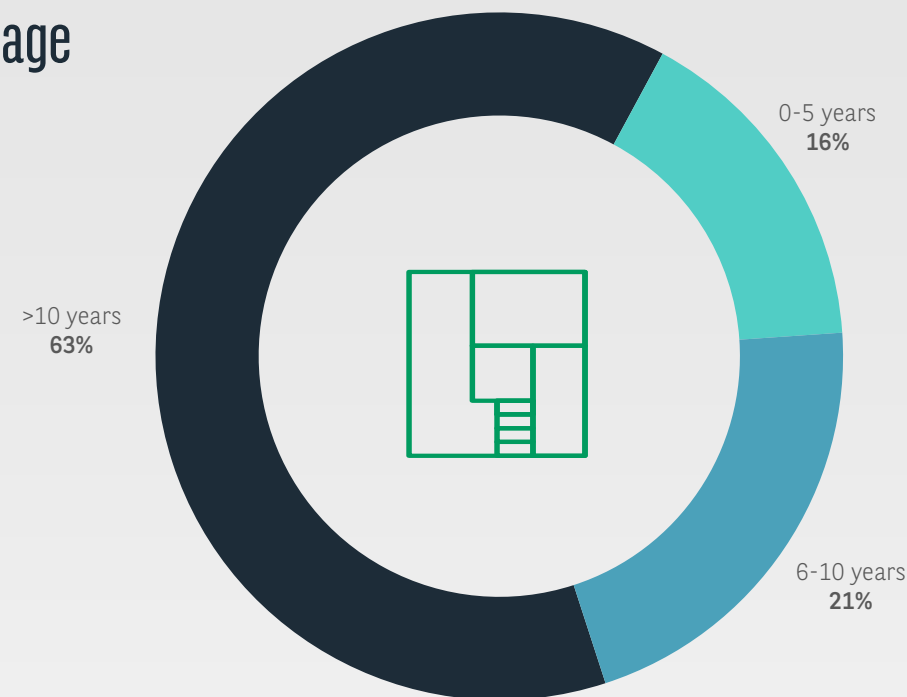
Senior Director, Head of Office Agency
BNP Paribas Real Estate Poland

Fourth quarter of 2024 in the Warsaw office market

In 2024, tenant activity in the Warsaw office market remained stable. Developers tied the initiation of new investments to signing significant pre-lease agreements, which directly influenced the current amount of space under construction. Throughout 2024, just over 104,000 sqm of office space were delivered, marking the second-lowest annual result in the history of the Warsaw market. The lowest volume on record was observed in 2023, with only about 61,000 sqm delivered. Between January and December, most of the new space – over 86,000 sqm – was delivered in central locations, accounting for nearly 83% of the total new supply introduced to the capital in 2024. A similar trend is expected in 2025, as approximately 90% of the volume of new space under construction, with completion planned by the end of 2025, is located in central Warsaw. In non-central locations, the primary factor determining the launch of new projects is securing tenants through pre-leases. Meanwhile, in central Warsaw, developers face significant challenges due to the limited availability of attractive land. At the same time, the vacancy rate has been gradually declining, leading to a reduction in the volume of available space. The year 2025 is expected to continue this trend.



Existing stock by age



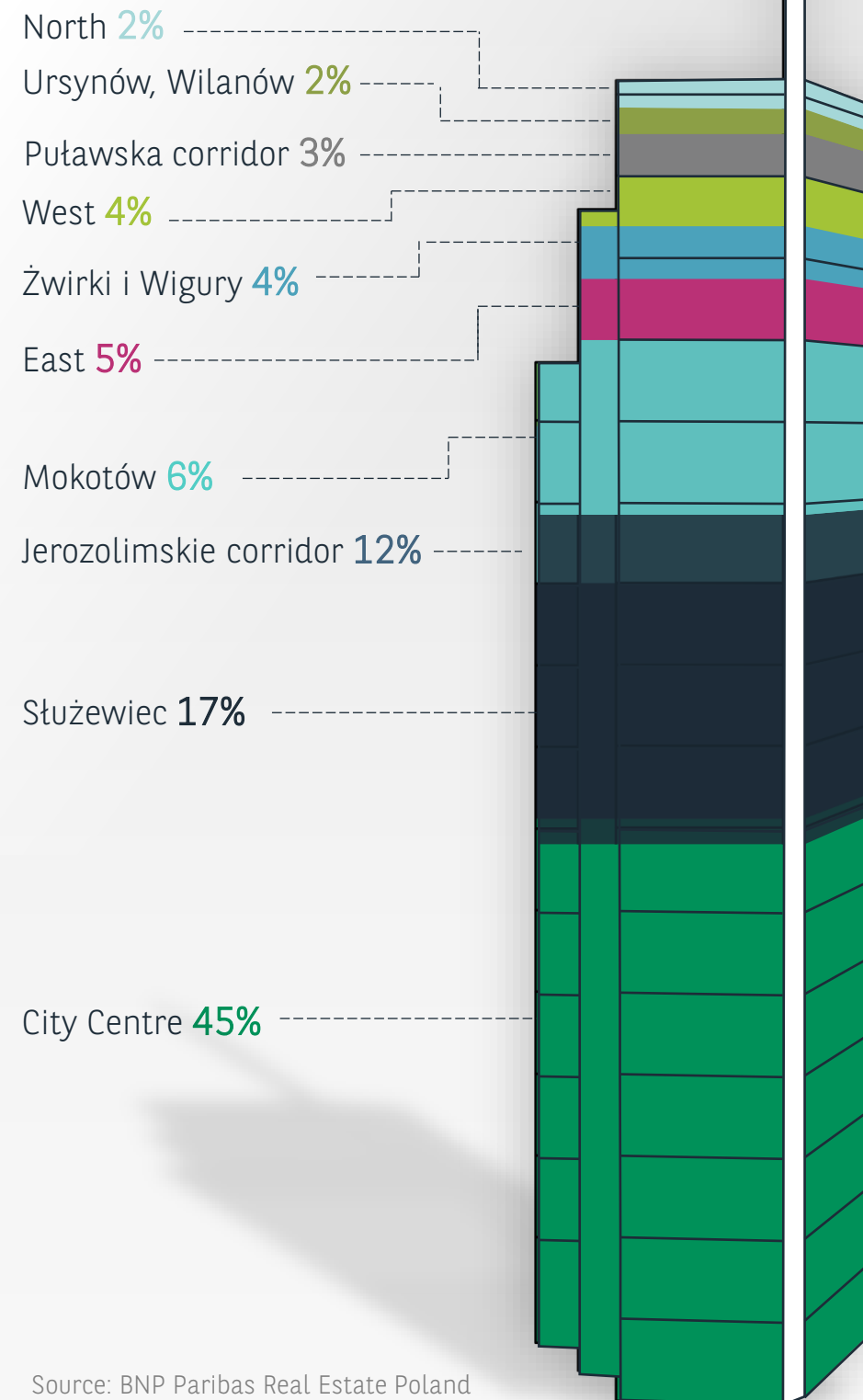
Source: BNP Paribas Real Estate Poland

Completions Q4 2024

BUILDING	ZONE	OFFICE SPACE (sqm)	DEVELOPER
1 The Form	City Centre	29 390	Lincoln Property

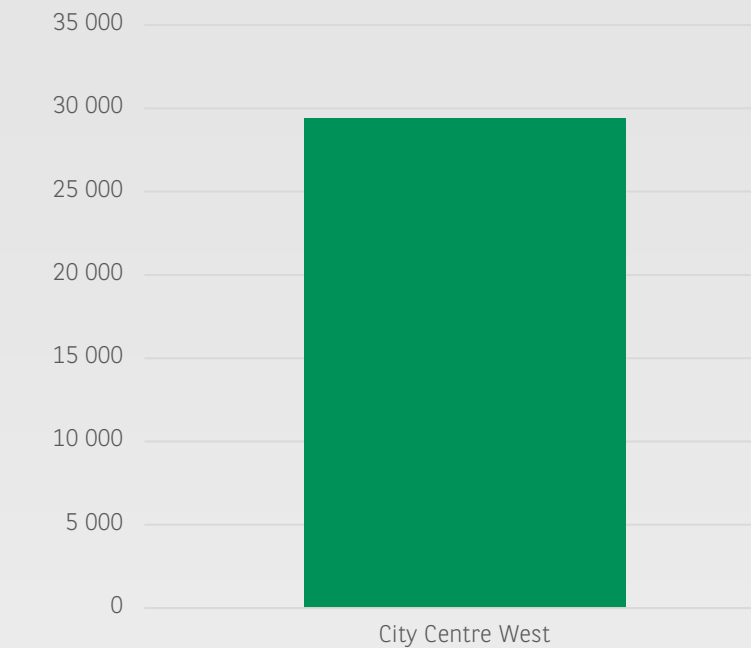
Source: BNP Paribas Real Estate Poland

Existing stock by zone Q4 2024



Source: BNP Paribas Real Estate Poland

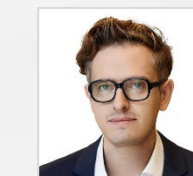
New supply Q4 2024



Source: BNP Paribas Real Estate Poland

In the fourth quarter of 2024, nearly 29,400 sqm of modern office space were delivered to the Warsaw market as part of a single project—The Form in the City Centre zone. This means that since the beginning of 2024, the Warsaw office market has only expanded by 104,400 sqm of space across nine projects. Although this represents an increase of over 71% year-over-year, it remains below historical averages. The new supply in 2024 was dominated by projects located in central zones (83% of the volume), with 68% of the volume located in the City Centre West subzone, around Rondo Daszyńskiego.

Expert comment



Jan Pawlik
Workplace Management Director
ISS

Market challenges and the dynamic transformation of the work environment are increasingly shaping decisions about the future of office spaces. Clients are more frequently analyzing the relationship between design and budget, expecting comprehensive solutions that take into account trends such as space revitalization or optimization while simultaneously increasing functionality. More projects are being implemented in active office spaces, which requires expertise and knowledge in FM management and operations. New challenges also include redefining ESG standards and the development of artificial intelligence, which influence investment planning processes. Organizations are seeking modern solutions that support well-being and inclusivity while maintaining economic aspects such as modularity, supported by new technologies. Project efficiency, evaluated based on CAPEX and OPEX budgets, is becoming a key indicator. Office design is becoming increasingly complex, and responsible planning is essential to minimize risks, especially variability over time in the context of long-term lease agreements.

At the end of Q4 2024, the vacancy rate in Warsaw reached 10.6% (a decrease of 0.1 pp compared to the previous quarter and an increase of 0.2 pp compared to the same period in 2023). The availability of office space amounted to 664,400 sqm. In central zones, the vacancy rate was 8.8%, while outside the center, it stood at 12.0%. Once again, demand outpacing new supply contributed to a slight decrease in the vacancy rate this quarter. Of the zones analyzed, Śłużewiec and City Centre have the largest available area, exceeding 100,000 sqm each (207,800 sqm and 150,300 sqm). Much of the available space in the city center, more than 55%, was located in the City Center West subzone. Despite the fact that the vacancy rate is 10.6%, the available space is scattered and often divided into smaller modules. Tenants looking for large, open spaces may have difficulty finding a suitable building. At the end of Q4 in the Warsaw office market, only 5 projects had available space of more than 10,000 sqm.

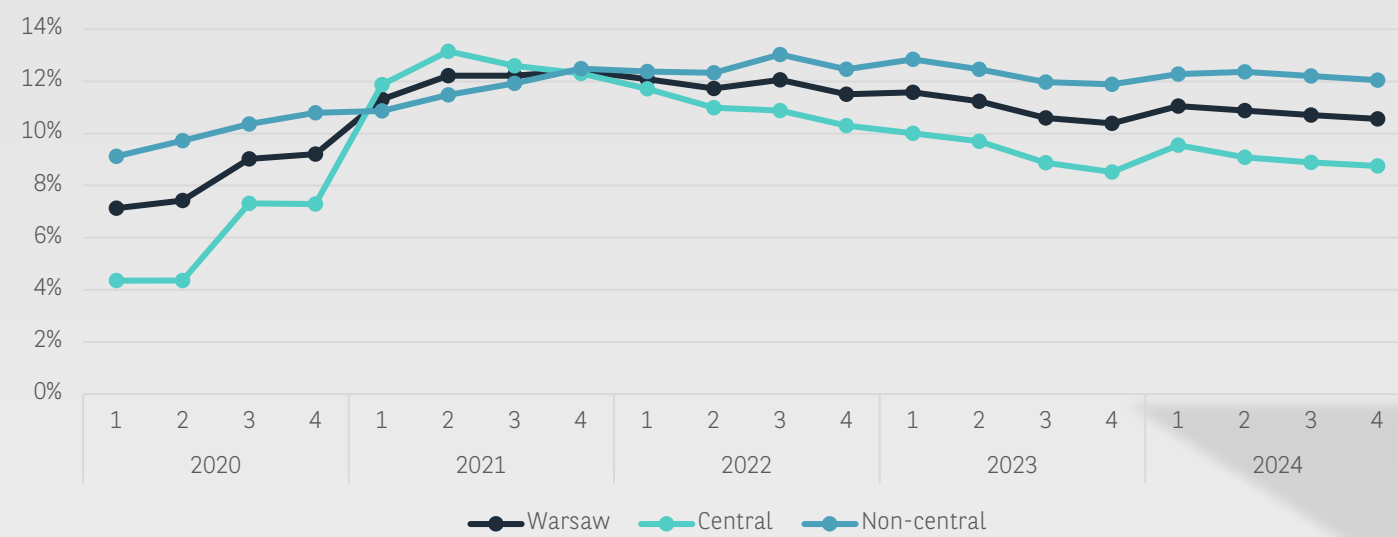
Vacancy rate



AT A GLANCE

Q4 2024

Q4: 10.6% Warsaw average, 8.8% City Centre 12.0%, outside City Centre



Source: BNP Paribas Real Estate Poland

Rents

- „Prime” rent: 30 EUR/sqm/mth
- Average asking rent in Warsaw office buildings broken down by age*:

20,30- 21,40 EUR



0-5 years

17,30- 17,80 EUR



6-10 years

15,20- 15,80 EUR



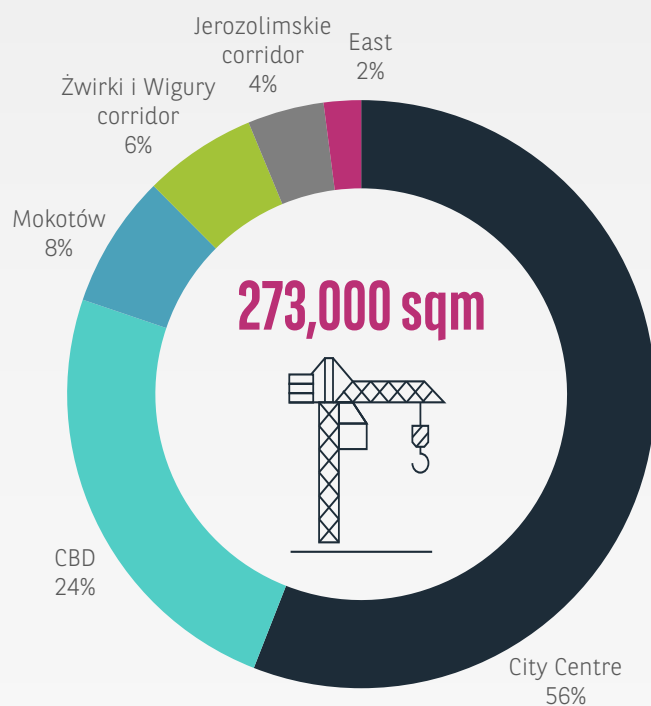
>10 years

In Q4 2024, asking rents for office space in Warsaw remained stable. Initial rents in central zones ranged from 18.00 to 27.00 EUR/sqm/month, although in the best office buildings, rents can significantly exceed this level. In non-central zones, asking rents ranged from 10.00 to 17.00 EUR/sqm/month. Operating costs also remained stable compared to the previous quarter and amounted to 18.00 to 38.00 PLN/sqm/month in Q4 2024.

* Average asking rents calculated for buildings that recorded vacancy in a given quarter

Source: BNP Paribas Real Estate Poland

Office space under construction (2025-2026)



At the end of Q4 2024, over 273,000 sqm of new office space were under construction in the Warsaw office market, including both new projects and renovations of older buildings. The vast majority of office space under construction (over 80%) is located in the City Center zone, including CBD, particularly in the Wola district, near Rondo Daszyńskiego. Unless investment plans change, the Warsaw office market will expand by more than 190,000 sqm of space in 2025. Of the 10 projects under construction, half will involve delivering new space, while the remaining projects concern the reconstruction of existing buildings.

Source: BNP Paribas Real Estate Poland

Major projects under construction (2025-2026)

BUILDING	ZONE	OFFICE SPACE (sqm)	DEVELOPER	OPENING
1 The Bridge	City Centre West	47,400	Ghelamco	Q4 2025
2 Upper One	CBD	35,500	Strabag	Q4 2026
3 Office House	City Centre West	31,100	Echo Inv.	Q4 2025
4 V-Tower (refurbishment)	CBD	30,800	Cornerstone	Q2 2025
5 Studio A	City Centre West	26,600	Skanska	Q4 2025

Source: BNP Paribas Real Estate Poland

Expert comment



Dorota Mielke

Associate Director, Office Agency
BNP Paribas Real Estate Poland

Green Office Buildings

The Warsaw office market is witnessing increasing interest from tenants in eco-friendly and sustainable buildings. Buildings with environmental certifications, such as BREEAM or LEED, assure tenants that the property has been designed and constructed to the highest ecological standards. The real estate industry has a significant impact on the environment, with research showing that buildings account for approximately 40% of global energy consumption and 30% of greenhouse gas emissions. As a result, promoting sustainable development in the real estate sector has become a priority not only for developers and investors but also for tenants, who expect office building owners to minimize their environmental impact. Solutions to this issue include the implementation of energy-efficient technologies (e.g., intelligent energy management systems) or the use of renewable energy sources (e.g., solar panels). Changing regulations and increasing pressure for social and environmental responsibility will continue to influence the shape of the office market in this regard. Companies show strong interest in renting offices with advanced technological and environmental solutions that enable energy efficiency, cost optimization, and support ESG goals, prompting owners of such office buildings to tailor lease offers differently.

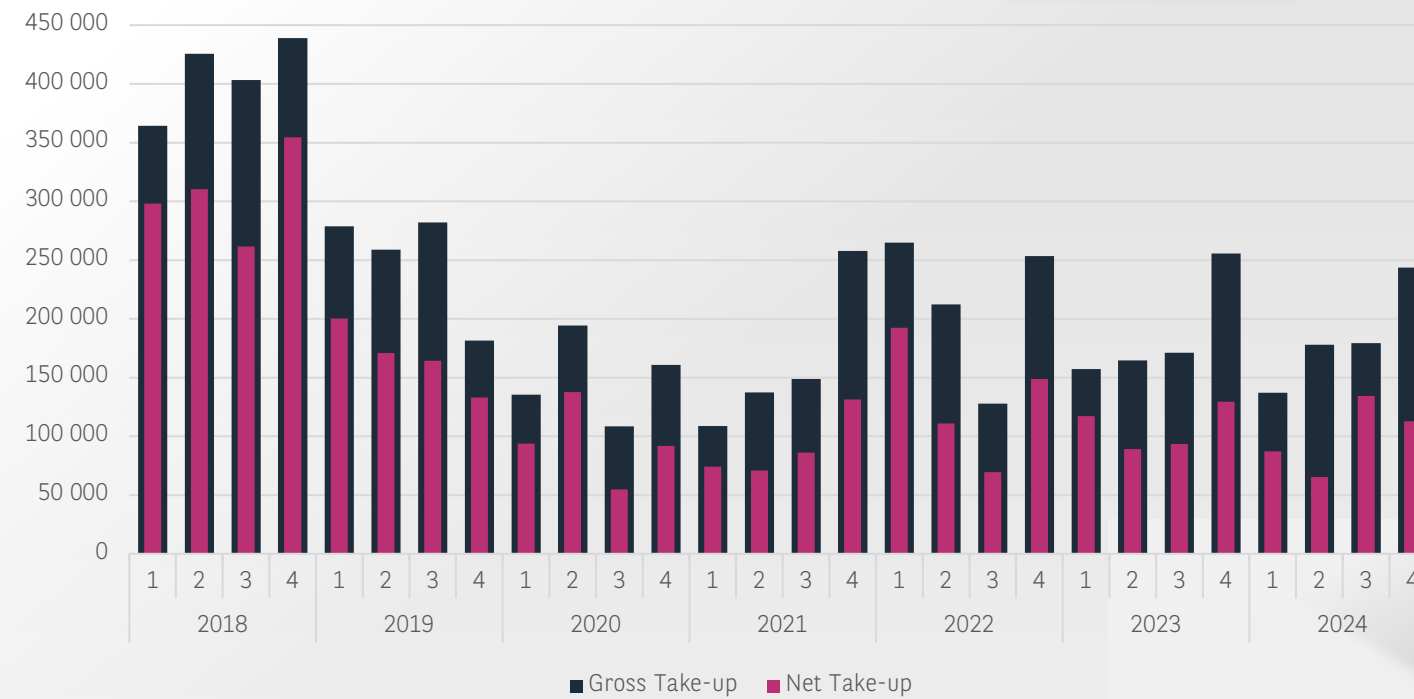


The fourth quarter of 2024, similar to previous years, was characterized by the highest tenant activity of the year. During this period, tenants rented over 244,100 sqm of office space, representing a growth of more than 35% compared to Q3, but a decline of 4% compared to Q4 2023. Total demand in 2024 reached nearly 740,200 sqm, only slightly lower than the figure recorded a year earlier (746,800 sqm). In Q4, central locations attracted the greatest tenant interest, accounting for almost 54% of all signed contracts. However, throughout 2024, non-central locations dominated the demand structure, accounting for approximately 53% of total lease volume. The office zone Centrum had the largest share of transaction volume (26.9%), followed by CBD (19.7%) and Służewiec (19.2%). Lease renegotiations dominated the rental market in both Q4 and the entire 2024, accounting for 53.6% and 46% of transactions, respectively. The remaining 54% of last year's demand was comprised of new contracts (36%), pre-leases (7%), expansions (7%), and owner-occupier transactions (4%).

Gross and net take-up

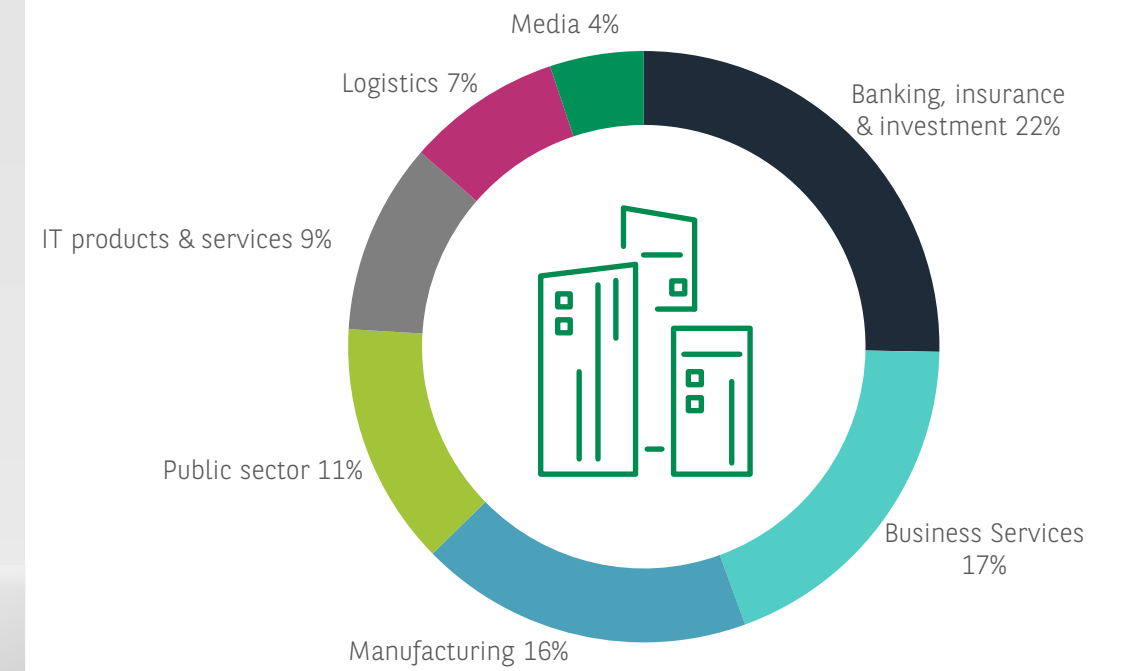
AT A GLANCE

Q4 2024



Source: BNP Paribas Real Estate Poland

Structure of gross demand by sectors Q4 2024



Source: BNP Paribas Real Estate Poland

Gross take-up by zones Q4 2024



1. Center (CBD + City Center) - 54%
2. Służewiec - 16%
3. Jerozolimskie corridor - 16%

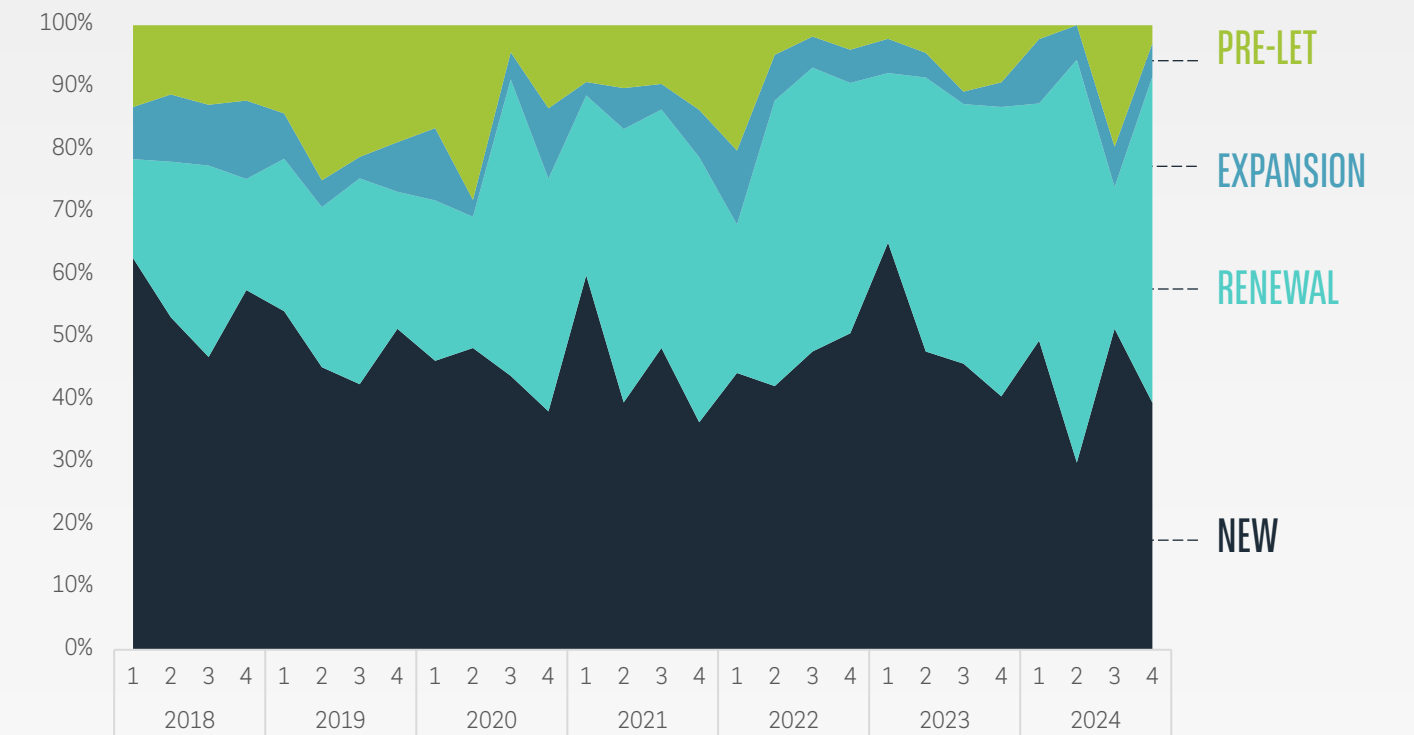
For a long time, the City Centre zone, along with the Central Business District (CBD) and Służewiec, has consistently attracted the most tenant interest. In Q4 2024, over 50% of the total lease transaction volume pertained to buildings located in central zones of the capital. The second-largest share was Służewiec, where nearly 38,900 sqm of lease agreements were signed from September to December, representing almost 16% of all agreements in the capital. The Jerozolimskie Corridor ranked third, with nearly 38,100 sqm leased, accounting for just under 16% of contracts signed in Q4.

Top 5 Lease Transactions

	TENANT	BUILDING	ZONE	LEASED SPACE (sqm)	TYPE OF AGREEMENT
1	Confidential	Atrium Garden	CBD	13,900	renewal
2	Confidential	Domaniewska Office Hub	Służewiec	13,000	renewal
3	Vienna Insurance Group	Mistral A/B	Jerozolimskie corridor	11,500	renewal
4	Confidential	The Form	City Center	11,400	new
5	PFR, KUKE	Cedet	CBD	9,500	renewal

Source: BNP Paribas Real Estate Poland

Structure of gross demand 2018-2024



Source: BNP Paribas Real Estate Poland



AT A GLANCE

Q4 2024

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