



2023

# REPORT POZNAŃ corees

Commercial Real Estate

## FOREWORD

I am happy to invite you to read our latest cross-sectional report for 2022 on Poznań.

Apart from information about himself commercial real estate market: offices, coworking spaces, warehouses, retail space and the PRS market. We presented the whole thing in a broader urban context, considering basic data on demography, urban infrastructure and education.

I hope you find this little summary helpful and interesting.

I wish you a pleasant reading,

*Marek Ciunowicz*

Warsaw, 04.2023



Marek Ciunowicz, SIOR  
CEO at Corees Polska

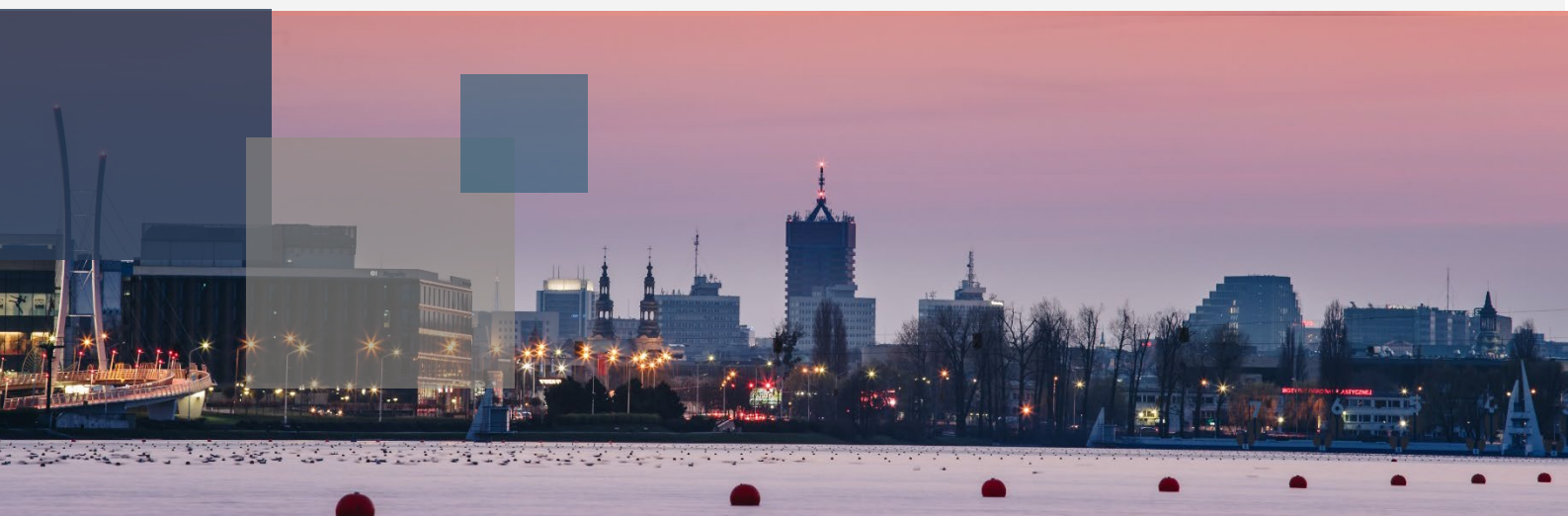
I am connected with commercial real estate market from nearly 30 years. I founded the real estate agency which provides comprehensive and competent support for a Client, where a person and their needs builds up for our priority.

This is how Corees Polska was created. A boutique-format agency, which specializes in commercial real estates. We advise, negotiate, and back upon external assistance, considering Polish and European companies, independently from their size or location, in the field of office spaces. Corees Team is a group of people who share those values, who present wide perspectives and ready for taking initiative. Corees Polska is a partner of The Instant Group, belongs to SIOR, Corfac International and ProProgressio.

# POZNAN

Poznań is located in central-western Poland. It is the capital of the Greater Poland Voivodeship. Poznań is the fifth largest city in Poland in terms of population. At the end of September 2022, it was inhabited by 546.9 thousand. Registered people and about 100 thousand. Unregistered (students and full-time students commuting from outside Poznań and foreigners). Over 80,000 people commute daily to work or school in Poznań from neighbouring towns. According to the census results presented by the Central Statistical Office, 84.7 thousand people live in Poznań. People at pre-working age, 332.7 thous. People of working age and 129.5 thous. People of post-productive age. Interestingly, in the capital of Wielkopolska, there are 114 women per 100 men. Their advantage over the number of men applies to the age of over 19 and is the largest, more than twofold, in the age group over 80. These data do not include, e.g. Ukrainian citizens who came to the capital of Wielkopolska en masse after February 24, 2022, and people working temporarily in Poznań who, for various reasons, are not included in official registers. In terms of area, the capital of Wielkopolska is the sixth-largest city in Poland. It is located in an area of 262 km<sup>2</sup>. Together with the Poviats and neighbouring communes, it forms the Poznań agglomeration, inhabited by 1.2 million people.

Green areas in Poznań cover almost 1/3 of the city area. It consists of 47 public parks and 116 green areas. Poznań is in the top ten Polish green cities in the Europolis ranking - cities for the European Green Deal (2021).



# Labor market

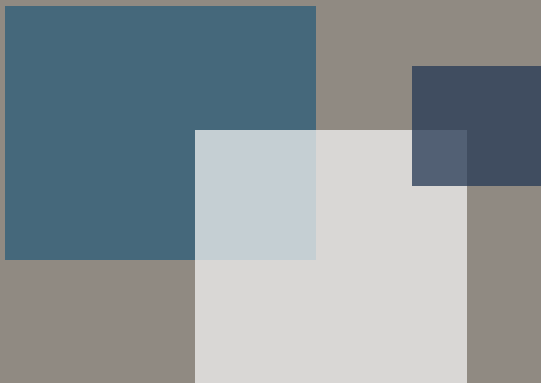
Poznań has been ranked first among Polish cities for many years regarding the lowest unemployment rate. At the end of 2022, the unemployment rate was only 1.0%. (which means a decrease by 0.3 percentage points per year), and the unemployed is 3.8 thousand. Almost half (53.3%) of job seekers were women. People aged 25 to 44 who remained unemployed accounted for more than half of the unemployed (52%). Most unemployed had the lowest education (middle school and below) and higher education.

The working-age population in Poznań constitutes 60% of the population.

Most People, almost 80%, are employed in services, the rest - in industry and construction.

The largest employers in Poznań, hiring over 1,000 people, include companies operating in the manufacturing, construction, transport, communications, financial intermediation, education, health care and administration industries.

The low unemployment rate makes it difficult for workers to find employees. The number of newly created jobs throughout the year amounted to 59.4k (0.8k more than in 2021), and the number of liquidated places - 29.9k (by 9.1k more).



The average annual job vacancy rate increased slightly from 0.93% to 0.93% a year ago to 1.01% in 2022.

In 2022, employees with specialist vocational education and employees for simple work were the most sought-after. The level of salaries in Poznań, as well as in the entire Wielkopolskie Voivodeship, is constantly growing.

The difference between the average salary in 2019 and 2022 was over 6%.

In January 2023, the average wage in the enterprise sector in Poznań was PLN 7,848.41, 6,477.98 gross, PLN 1,370 more than in January 2022.

# Labor market



# Investment market

Poznań is one of the leaders of Polish cities in terms of economic development. In 2020, the value of the gross domestic product generated in the Wielkopolskie Voivodeship amounted to PLN 233,474 million and, at current prices, increased by 3.1% compared to the previous year.

Wielkopolskie, with a share of 10.0%, belongs to the group of voivodships contributing the most significant contribution to creating the national value of GDP. The service sector dominates here, employing about 77% of the workforce.

There are 124k registered in Poznań, over 4k companies with foreign capital. Poznań is also increasingly noticed by serious and prominent players in international markets, who locate their headquarters in the capital of Wielkopolska. There are currently 125 shared service centres in Poznań. The largest investors include Asahi, Beiersdorf, Bridgestone, GlaxoSmithKline, Unilever, Volkswagen, IKEA, Jeronimo Martins, McKinsey & Company, Mars and MAN. In 2016-2021, the number of employees in shared services centres in Poznań increased by as much as 72%. Out of 120 business service centres operating in Poznań in 2022, over 30 are IT, ITO or R&D centres. Poznań is also known as a city friendly to startups and projects such as computer games and the sector of creative companies.

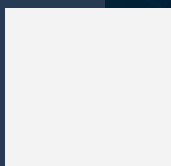
The attractiveness of Poznań in terms of doing business here is also confirmed by awards, e.g. first place in the Outsourcing Stars competition of the Pro Progressio Foundation and the Ranking of Investor-Friendly Cities of the Polish Association of Developers, second place in the Ranking of Business-Friendly Cities of the Forbes monthly, or an award for the fastest growing cities in Poland according to CEE Business Services Summit&Awards 2021.

The events are also crucial for the city's recognition and prestige. First, the Poznań Fair has attracted thousands of exhibitors and investors worldwide for many years. They hold about 55% share in the fair market in Poland and are the first organiser of fairs in Central and Eastern Europe.

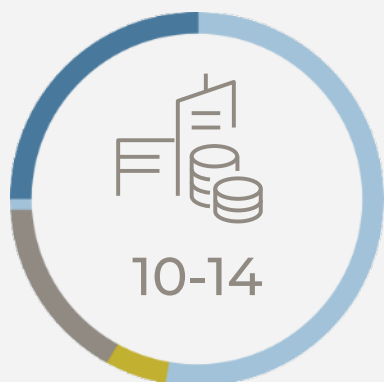
MTP's product portfolio includes over a hundred fairs organised in annual or biennial cycles. The fairgrounds also host congresses and conferences. The most significant international cultural events, in turn, include the Malta Festival Poznań and the International Documentary Film Festival OFF CINEMA. In 2018, the City of Poznań was awarded the organisation of two significant international sports events in 2020-2021: the European Junior and U-23 Championships in canoe sprint and the European Rowing Championships.



# Investment market



# Characteristics of Poznań's real estate market



Base rent for office space  
€ / m<sup>2</sup> varied from  
localisation



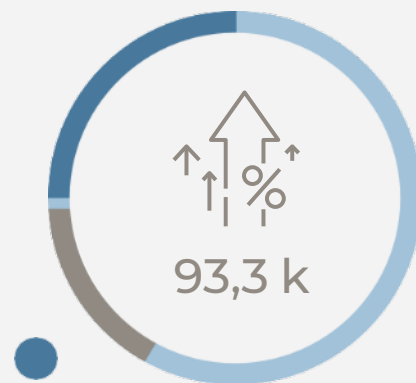
Total office space (m<sup>2</sup>)



The vacancy rate is 2,2pp  
lower vs last year



Delivered office space (m<sup>2</sup>)



Projects under construction  
(m<sup>2</sup>)



# Office market

At the end of 2022, the total office space in Poznań exceeded 623.1k sqm. This number did not increase throughout the year, as no significant office investment was completed on the Poznań office market in 2022.

There are still 93.3k sq.m. in several projects, almost half of which is to be commissioned in 2023, including approx. sqm in building E of the Nowy Rynek complex (Skanska) construction of which began in June and is scheduled for completion in the second quarter of 2023.

Office and commercial space is also provided for in a residential investment carried out in the center of Poznań by BPI Real Estate Poland Revive, whose completion is planned for 2029 and in the Stara Rzeźnia complex, launched in 2020. The most significant investment currently underway with an area of 40k sqm. is Andersia Silver (Von der Heyden), which (after commissioning in 2025) will also be the tallest building in the city (117m high). In Poznań, there are also many examples of the modernisation of existing facilities, which are to compete with new investments. One such example is the PFC skyscraper, currently being modernized by its new owner.

The demand for office space in Poznań remains stable.



The transaction volume in 2022 was 48k sqm means a decrease in the annual average from the previous five years (58.k sqm). It is also a decrease of 36% compared to last year. Among the types of contracts, new contracts (53%) and renegotiations (41%) dominated, followed by expansions (6%). The highest demand for new offices was in the business services sector (22%) and the retail industry (20%). Agreements and relocations accounted for 53% of all transactions.

The most significant transactions concluded 2022 in Poznań include renewing the lease agreement for 7.5k sqm. in the Maraton A building by OLX, a new lease agreement in Globis Poznań (3,1k sqm) and the Nowy Rynek building D complex (1,3k sqm) and the relocation of Wunderman Thompson to the Nowy Rynek building E building (over 2k sqm). The largest transactions, in turn, include the purchase by the Swedish company Eastnine AB of the Nowy Rynek D building from Skanska for EUR 121 million.

The number of spaces waiting for new tenants amounted to 10.5% at the end of 2022 supply. This is a decrease of 2.2% points compared to the end of the previous year. Rents in class A office buildings in Poznań range from EUR 12.5 to EUR 16.5/m<sup>2</sup>/month. In class B office buildings, it is between EUR 10 and 14/m<sup>2</sup>/month. Due to the rising costs of utilities and services, there is also a noticeable increase in service charges, which at the end of December 2022 in Poznań ranged from PLN 15.00 to PLN 24.00/m<sup>2</sup>/month.

# Office market



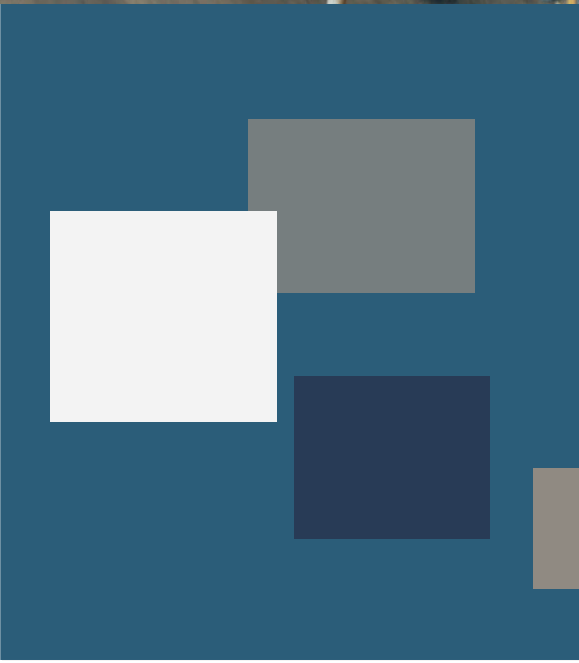
# Flex market

There are many co-working operators in the Poznań market, e.g.

- Regus,
- Business Link,
- Spacing or
- Share Spaces.

Poznań is responsible for nearly 7 percent—of coworking spaces in Poland. Currently, 27 outlets in the city offer flexible offices and stationary workspaces for rent. The coworking space market continues to attract much interest and is constantly developing.

The rental price for a desk shared with other tenants (HotDesk) varies between PLN 400/month and PLN 600/month, the cost of a permanent workplace ranges from PLN 400/month to PLN 800/month, and a private office PLN 600-1000/month.



# PRS market

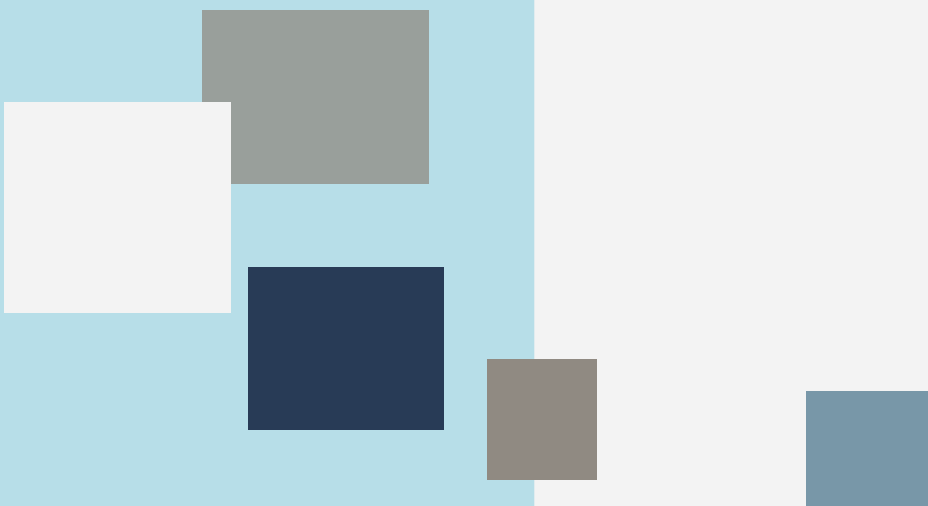
Although the PRS market is only at the initial stage of development in Poland, Poznań is already among the Polish cities with such solutions.

About 1.94 percent of Poznań apartments for rent are PRS resources. Although it is a relatively small market, the result places Poznań in third place in Poland.

Active players on the PRS market in Poznań include

- PFRN (424 units),
- Resi4Rent (160 apartments) and
- TAG Immobilien (150 units managed by Vantage Rent).

Currently, 368 units are under construction, of which 318 are the platform extension for PFRN, and 50 are Magis Real Estate's entry into the Poznań market with the investment at Mielżyńskiego 2.



# Retail market

Poznań is one of the largest Polish retail markets, the second Polish city after Wrocław in terms of saturation with the area of shopping centers per capita (824 m<sup>2</sup> per 1,000 inhabitants). There are 21 shopping centers in the agglomeration with a total area of approx. 700,000 sqm. sqm

In 2022, no new shopping center was built in Poznań. The saturation factor of retail space in Poznań means that existing centres have a problem with filling the space with tenants (vacant space in shopping centres is 8.6%) and look for new solutions to attract customers, e.g. modernise or expand existing galleries or change their format (Malta Gallery). For example, the Poznań City Center shopping centre (now Avenida) has undergone rebranding and refurbishment, Galeria Kupiec Poznański has plans to transform the facility into a hotel, and Marriott is interested in the location.

In 2022, two large sales transactions on the retail market were recorded in Poznań - Galeria Pestka (EUR 40 million) and Galeria Malta (EUR 43.3 million) were sold. There were also sales of former Tesco facilities and several small parks and shopping centres (including Centrum Franowo, with an area of 15.6 thousand m<sup>2</sup> for EUR 21 million).

Prime rents for space in shopping centres range from EUR 42 to EUR 60 per m<sup>2</sup> per month.

# Industrial and logistics market

The total volume of warehouse space in Poznań and its vicinity at the end of 2022 amounted to over 3,200k sqm. The largest concentration of warehouses is in the area of Żerniki and Gądki and the vicinity of Tarnów Podgórne, Swarzędz and the commune of Komorniki.

It is near the A2 motorway or the Western Bypass of Poznań. In 2022, 540k sq m were commissioned on the Wielkopolska warehouse market, placing Poznań and Wielkopolska in third place in new annual supply (ex-aequo with Upper Silesia) among Polish warehouse markets.

This contributed to, among others, a donation of 82.2k sqm in the P3 Poznań II project and 55.3k sqm in the 7R Park Poznań West project.

At the end of 2022, almost 400,000 sqm were still under construction. m<sup>2</sup>, e.g. 77.3k sqm in P3 Poznań II (01/2023) and 53.6k sqm in Hillwood Rawicz (03/2023).

The total lease volume in 2022 on the Poznań warehouse market amounted to 875k sqm.

Most of the deals were new leases and expansions.



Among the most significant transactions was a new contract for 83 thousand. m2 in Panattoni Park Poznań A2 by a confidential tenant from the e-commerce industry and an extension of the lease agreement for 56k sqm. in P3 Poznań by PF Logo Express.

Compared to the end of December 2022, the vacancy rate was 4.5%, despite developers' constant and intense activity.

Base rents for warehouse space in Poznań range from EUR 3.5-4.2/sq m/month, an increase compared to 2021.

# Industrial and logistics market



# Infrastructure market

Poznań, although far from the centre of the country, is characterized by an excellent network of connections with its other parts and many German cities, such as Berlin, Hamburg or Dresden, with which the A2 motorway connects it.

It is only 310 km from Warsaw. Currently, 11 supra-powiat roads run through Poznań, and 429km of expressways are at the planning stage in the voivodeship. Moreover, eight railway lines intersect at the Poznań railway station - in 2018, sections of railway lines connecting Poznań with Warsaw (E20), Wrocław and Szczecin (E59) were modernised.

From the Poznań-Ławica Airport, which is only 10 km from the city centre,

in 2022, over 2.2 million passengers used it. This is twice as much as the year before.

The city has excellent public transport, which is used annually by over 250 million people. In 2018, the Poznań Metropolitan Railway was launched on sections connecting Poznań with nearby towns.

Poznań also offers 242.2 km of bicycle routes and the Poznań City Bike System (PRM), used by almost 150,000 People during the season.

# Education market

There are 25 higher education institutions in Poznań (36 in the entire province), with 104,000 students, including 5.5 thousand foreigners from 100 countries worldwide (34% at universities and 16% at technical universities).

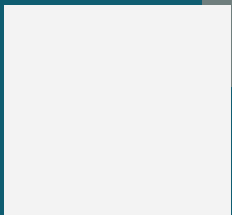
Poznań ranks first among the largest cities in Poland in terms of the number of students per 1,000 inhabitants. In the academic year 2021/2022, 102,199 People studied in the capital of Wielkopolska.

In 2021, over 24.5 graduates graduated from Poznań universities. Poznań offers over 250 fields of study, including over 50 conducted in foreign languages, also with an MBA profile.

Most students were educated in the following faculties: business and administration, medical, social, language, engineering and technical, pedagogical and information technology.

The offer of studies in foreign languages has been expanded, especially in English.

The leading University where 1/3 of Poznań's students study, the University of Adam Mickiewicz University is one of the best universities in Poland.



It is immediately followed by the Poznań University of Technology and the WSB University among non-public universities. The faculties of 8 Poznań universities: Adam Mickiewicz University, Poznań University of Technology, University of Life Sciences, University of Economics, University of Arts, Medical University, Academy of Music and SWPS University are among the highest rated universities in Poland.

Most, as much as 80 percent, students in the city are people from outside Poznań, most of them from the Wielkopolskie Voivodeship.

In addition, more and more foreigners choose universities in Poznań - over 5.5 thousand. foreigners studied at Poznań universities last year, permanently or temporarily under the Erasmus program. Nearly 2,000 were citizens of Ukraine.

# Rynek edukacyjny





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