MARKETBEAT
WARSAW
OFFICES Q2 2025

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YoY change	12-month forecast
10.8% Warsaw Vacancy Rate	▼	▼
€22–27 Prime Headline Rents	▲	▲
5.75% Prime Office Yields in Warsaw	►	►

Source: Cushman & Wakefield

ECONOMIC INDICATORS

	YoY change	12-month forecast
1,112,400 Warsaw Employment	▼	►
1.4% Warsaw Unemployment Rate	▼	►
5.0% Poland Unemployment Rate	►	►

Source: Statistics Poland (GUS), May 2025

SUPPLY: DEVELOPMENT ACTIVITY CONTINUES TO FOCUS ON PRIME LOCATIONS

In the second quarter of 2025, Warsaw's total office stock stood at more than 6.3 million sqm. According to Cushman & Wakefield, the city's office market is expected to grow by approximately 50,000 sqm in the second half of the year, with two office buildings scheduled for completion in central zones.

With new projects being developed mostly in the city centre, tenant caution regarding relocation, and elevated construction and financing costs, new office supply is likely to remain constrained in the coming years.

Despite this, several projects are expected to break ground in the near future – in addition to the ongoing construction of Karimpol's Skyliner II office tower and Strabag RE's flagship Upper One. Building work is to set to begin on the second phase of Ghelamco's VIBE; another office building within the Towarowa 22 complex, developed by Echo Investment/AFI, and the demolition of Prosta 69, which will make way for CPI's new office project LightOn.

VACANCY RATE: OFFICE AVAILABILITY CONTINUES ITS DOWNWARD TREND WITH A SLIGHT CORRECTION

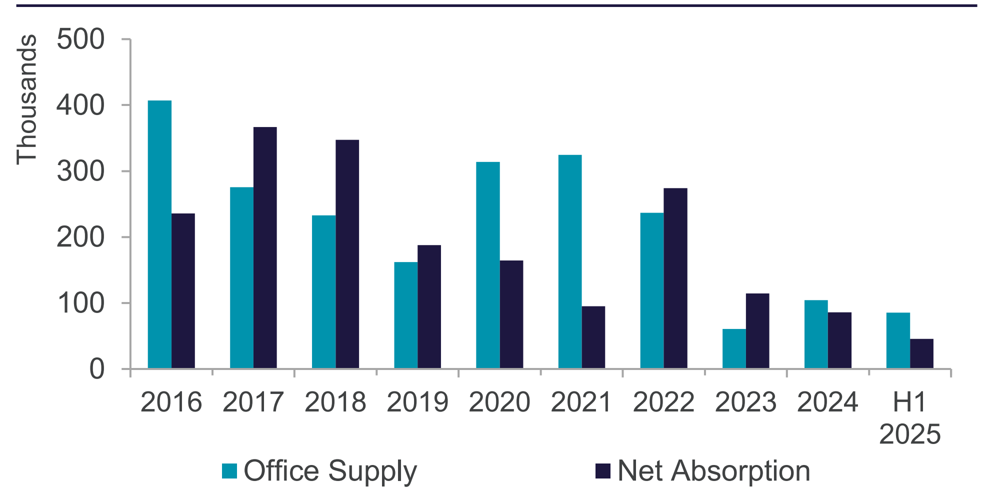
At the end of June 2025, Warsaw's overall vacancy rate stood at 10.8%, down 0.1 pp year-on-year but up 0.3 pp quarter-on-quarter. This equated to just under 683,000 sqm of unoccupied office space, marking an increase of approximately 25,000 sqm from the previous quarter.

With new office supply expected to remain constrained in 2025-2027, Warsaw's vacancy rate is likely to continue its downward trend, enabling the market to absorb surplus office space from existing stock.

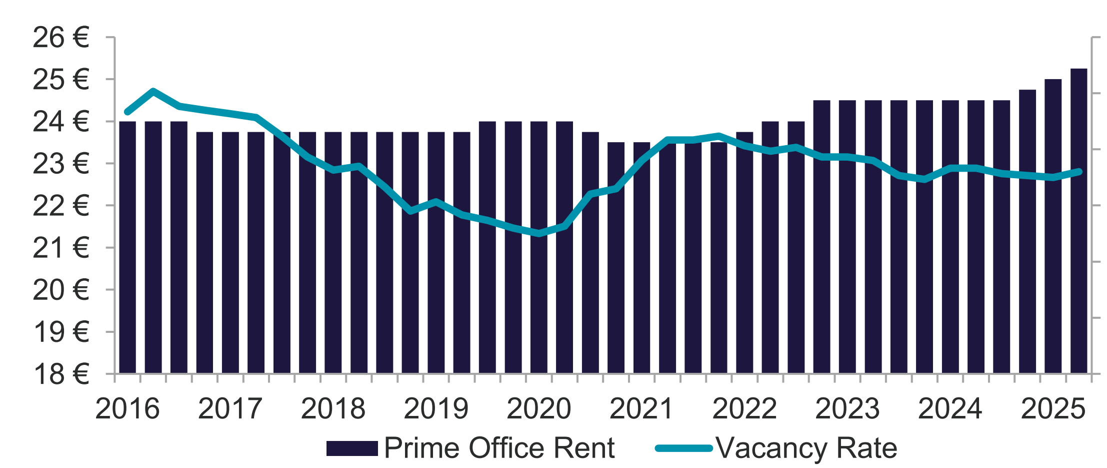
Vacancy rates also vary by location. At the end of June 2025, non-central locations reported a vacancy rate of 13.3% - slightly above the levels seen in 2021-2023.

By contrast, central locations saw office availability drop to a low of 7.8% in June 2025, down from a peak of 13.8% in the last five years.

OFFICE SUPPLY AND ABSORPTION



VACANCY RATE AND RENTS



The projected ongoing decline in office availability in Warsaw's central locations is expected to drive rental growth in the city centre. This trend, coupled with subdued construction activity, is likely to benefit older properties and fuel their refurbishment as landlords look to improve their competitiveness in retaining tenants and attracting new occupiers.

TAKE-UP: LEASING ACTIVITY CONTINUES AT A STEADY PACE

Total leasing activity in the first half of 2025 hit 301,400 sqm, representing a decrease of approximately 5% year-on-year.

Office take-up in the first half of 2025 was dominated lease renewals, which accounted for 43% of all transactions, followed by new leases at 40%. Owner-occupier deals and expansions contributed 9% and 8% respectively.

Key occupier transactions in the first half of the year saw Polkomtel renegotiate its 22,700 sqm lease at Multimedialny Dom Plusa and EnterAir take 9,800 sqm for owner-occupancy at Bokserska Office Center. The largest new lease was Maersk's pre-let of 3,750 sqm at Office House.

Office demand in Warsaw continues to be driven by the rapid expansion of shared service centres, with significant growth potential coming from the IT, banking, and pharmaceutical sectors.

Leasing activity in the Warsaw office market is expected to remain steady over the coming quarters, staying in line with the levels recorded in 2023-2024. It is, however, likely to be influenced by overall economic sentiment and the cost-cutting or expansion strategies of multinational companies.

RENTS: RENTAL RATES CONTINUE TO RISE PRIMARILY IN THE CITY CENTRE, WITH MODEST GAINS IN NON-CENTRAL LOCATIONS

In June 2025, prime office rents in Warsaw stood at EUR 22.00-27.00/sqm/month in the Centre and at EUR 15.00-19.00/sqm/month in non-central locations. The strongest rental growth was recorded for new office completions in the Centre. By contrast, office rents in existing buildings with high occupancy levels – in both core and peripheral locations – rose largely in line with inflation, driven by the indexation of asking rents.

According to Cushman & Wakefield, upward pressure on rents is expected to continue in the coming quarters, particularly for projects under construction and prime office buildings in the Centre. Meanwhile, intensifying competition and elevated vacancy levels are likely to keep rental rates relatively stable in most non-central office buildings.

MARKET STATISTICS

Zone	Total Office Stock	Availability	Vacancy Rate	Gross Take-Up	Construction Completions	Under Construction
Central Business District	993,900	70,300	7.1%	63,400		35,900
Centre	1,912,200	155,800	8.1%	102,800	79,600	78,400
East	291,500	27,900	9.6%	14,100	5,600	
Jerozolimskie Corridor	763,200	87,100	11.4%	21,100		
Mokotów	1,453,400	245,400	16.9%	79,200		
North	126,400	9,500	7.5%	3,500		
Puławska	196,900	12,000	6.1%	3,500		
Ursynów, Wilanów	123,100	9,000	7.3%	1,400		
West	209,100	19,800	9.5%	4,500		15,000
Żwirki i Wigury	259,600	45,800	17.7%	7,900		
Warsaw totals	**6,329,300**	**682,700**	**10.8%**	**301,400**	**85,200**	**129,300**

All space data in square metres

KEY LEASE TRANSACTIONS, H1 2025

Property	Zone	Tenant	Lease type	Sqm
Multimedialny Dom Plusa	Mokotów (Służewiec)	Polkomtel	Renewal	22,700
Bokserska Office Center	Mokotów (Służewiec)	EnterAir	Owner-occupier deal	9,850
Konstruktorska BC	Mokotów (Służewiec)	PZU	Renewal	6,500

KEY INVESTMENT TRANSACTIONS, H1 2025

Property	Zone	Seller	Buyer	Sqm
Wronia 31	Centre	LaSalle IM	Uniqa Real Estate	16,600
Plac Zamkowy – Business with Heritage	CBD	Senatorska Investments	Private investor	5,500

KEY OFFICE COMPLETIONS, H1 2025

Property	Zone	Major tenants	Developer/Investor	Sqm
The Bridge	Centre	Santander Bank	Ghelamco	47,000
Office House	Centre	Emagine, Maersk, Crowe	Echo Investment	27,800

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