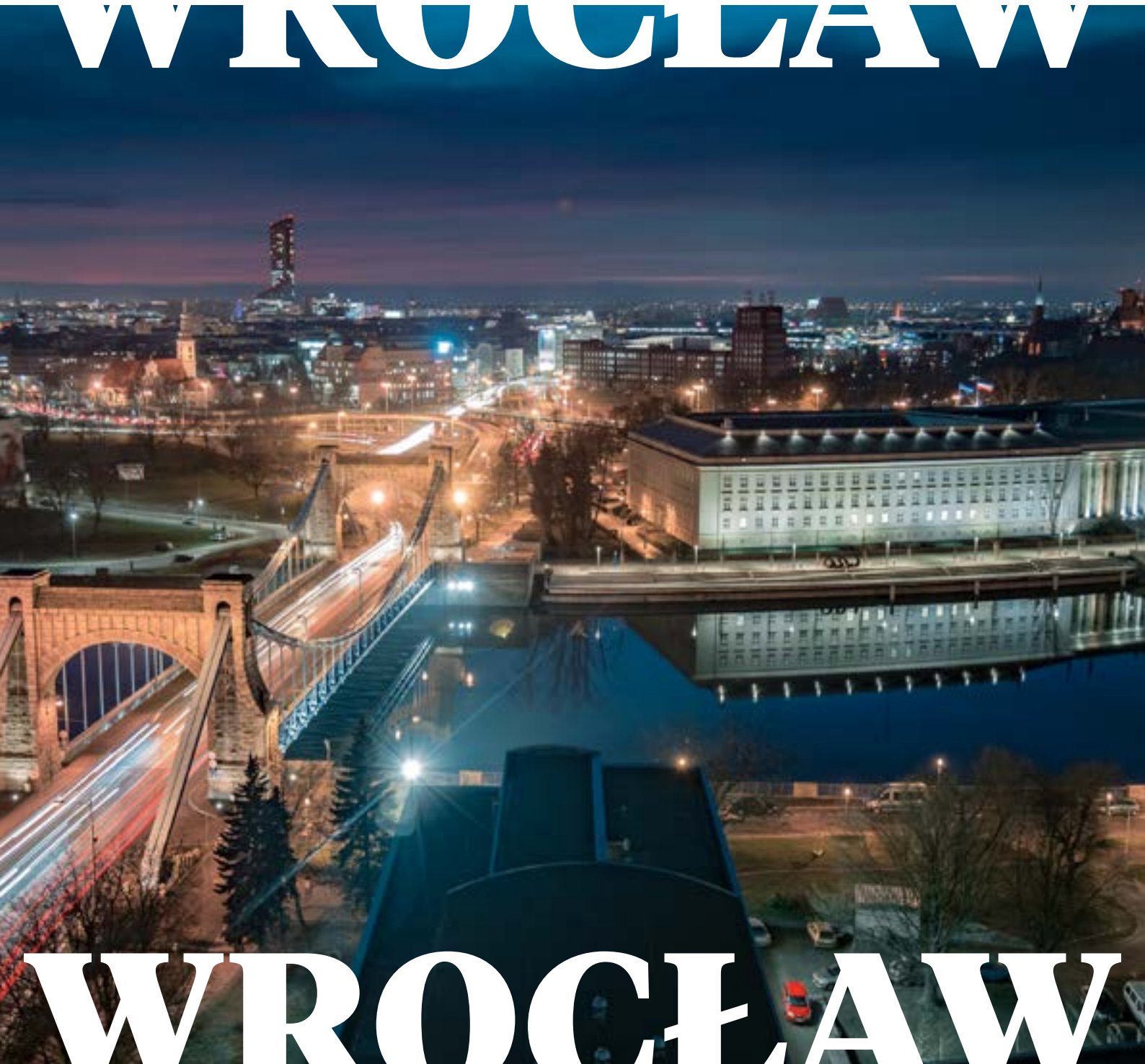


WROCLAW

Research, Q4 2020

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WROCLAW FACTS AND FIGURES

Q4 2020



EXISTING STOCK

1.2m sq m



SUPPLY UNDER CONSTRUCTION

136,000 sq m



VACANCY RATE

15%



NEW SUPPLY

58,500 sq m



TAKE-UP

128,000 sq m

At the end of December 2020 total office stock in Wrocław exceeded 1.22m sq m, which placed the city as the second largest office hub among regional markets. Developer activity slightly weakened in the capital of Dolny Śląsk. Almost 60,000 sq m was completed, which is 60% less than in 2019. However, it is worth mentioning that last year's new supply reached a record breaking figure. Caution among developers can be also observed in the approach to new

investments. In Q4 2020 none of the planned projects was launched and 136,000 sq m of office space remains under construction. If developers keep in line with their schedules than approximately 50% will be delivered in 2021. Comparing with the other regional markets in Poland, tenants in Wrocław were relatively active, however the consequences of the pandemic is also seen in the demand for office space. In Q4 2020 21,000 sq m was subject to lease,

of which three quarters constituted renewals. Taking into account annual take-up volume 128,000 sq m was leased of which 50% accounted for renegotiations. Compared to 2019 demand in Wrocław remained on a similar level – last year 123,000 sq m was subject to lease, which is 4% growth year on year. Despite stable relatively high demand the vacancy rate increased by 2.4 pp. comparing to 2019 and stood at 15%.

SELECTED SCHEMES UNDER CONSTRUCTION

MID POINT 71

- 36,900 sq m
- Q4 2021
- Echo Investment

INFINITY

- 22,000 sq m
- Q4 2022
- Avestus Real Estate

KRAKOWSKIE TARASY I&II

- 15,400 sq m
- Q4 2021
- IMS Budownictwo

BRAMA OŁAWSKA

- 14,000 sq m
- Q2 2022
- Tower Inwestycje

KRAKOWSKA 35

- 11,800 sq m
- Q1 2021
- Atal

WIELKA 27

- 9,100 sq m
- Q4 2022
- i2 Development

Total office space Completion date Developer / Owner

STANDARD LEASE TERMS *



SERVICE CHARGE (PLN/SQM/MONTH)

18



RENT-FREE (MONTHS)

7



FIT-OUT BUDGET (EUR/SQM)

450-500

*in large scale, new buildings

SELECTED BPO, SSC/GBS, IT AND R&D CENTERS

3M Global Service Center

Poland | Credit Suisse |

EY Global Services Poland |

Google | Pattonair | Nokia |

UPS Global Business Services

COWORKING OPERATORS IN WROCLAW

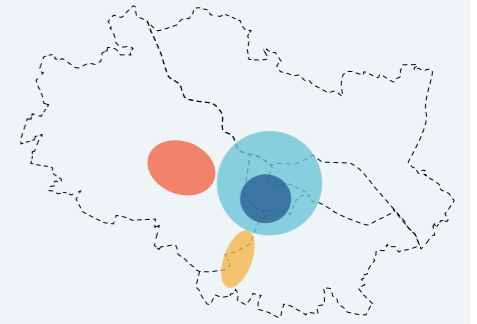
City Space

Quickwork

Worko

MAJOR OFFICE CONCENTRATION AREAS

	EXISTING STOCK	SUPPLY UNDER CONSTRUCTION	VACANCY RATE	MONTHLY ASKING RENT
CITY CENTRE	221,000 sq m	43,000 sq m	12.8%	€10-17/sq m
SOUTHERN BUSINESS AXIS	131,000 sq m	46,000 sq m	18.2%	€10-15.5/sq m
WESTERN BUSINESS DISTRICT	445,000 sq m	15,400 sq m	18.3%	€11-15/sq m
SUBCENTRAL ZONE	324,000 sq m	27,200 sq m	10.1%	€9-16.5/sq m



CITY STRENGTHS

- 8th place in the overall ranking fDi Eastern European Cities of the Future 2020/2021
- 9th place in the overall ranking fDi Eastern Mid-sized European Cities of the Future 2020/2021 and 6th place in economic potential category.
- The second most-business-friendly city in Poland according to the Forbes 2020 ranking
- 92nd place in the world among the 100 Best Cities Most Attractive for Investing in the BPO Sector according to Tholons Services Globalization Index 2019
- The third largest BPO service centre in Poland - the BPO sector offers almost 52,000 jobs in Wrocław (end of Q1 2020)
- According to the ABSL Business Services Sector in Poland 2020 report the compound annual growth rate in the sector in 2016-2020 amounted to 10,5%
- Over 50% of the city is covered by green areas
- Tarnobrzeg Special Economic Zone, subzone Wrocław-Kobierzyce
- Wrocław-Strachowice Airport

POPULATION

VI 2020



643,800

NUMBER OF STUDENTS

2019/2020



106,800

UNEMPLOYMENT RATE

XII 2020



2.4%

NUMBER OF GRADUATES

2019/2020



28,200

GROSS AVERAGE SALARY

XII 2020



PLN 5,851

NUMBER OF UNIVERSITIES

2019/2020



25

OFFICE MARKET IN REGIONAL CITIES Q4 2020

5.8m sq m

OFFICE STOCK

393,000 sq m

NEW SUPPLY

582,000 sq m

TAKE-UP

1m sq m

UNDER CONSTRUCTION

737,000 sq m

AVAILABLE SPACE

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- ◆ tailored presentations and market reports for clients.

Reports are produced on a quarterly basis and cover all sectors of commercial market (office, retail, industrial, hotel) in major Polish cities and regions (Warsaw, Kraków, Łódź, Poznań, Silesia, Tricity, Wrocław). Long-term presence in local markets has allowed our research team to build in-depth expertise of socio-economic factors affecting commercial and residential real estate in Poland.

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