

Poland - Szczecin

Key Performance Indicators

Prime Yield
8,15%

Expected Investment Returns
Change YoY: 85 bps

Prime Rent
€ 14,50

Monthly, per sq m
Change YoY: 7,4%

Average Rent
€ 13,90

Monthly, per sq m
Change YoY: 9,4%

Office Investment Volume
€ 354M

In Poland during Q4 2022
€ 2.04B (Rolling 12 months)

Take Up
7K

Square Meter
7K Year2Date

Vacancy Rate
5,79%

Percentage of Stock vacant
Change YoY: 51 bps

Completions
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Square Meter
2K Year2Date

Total Stock
186K

Square Meter
175K Occupied Stock

(Forecast) Completions
2K (2022)

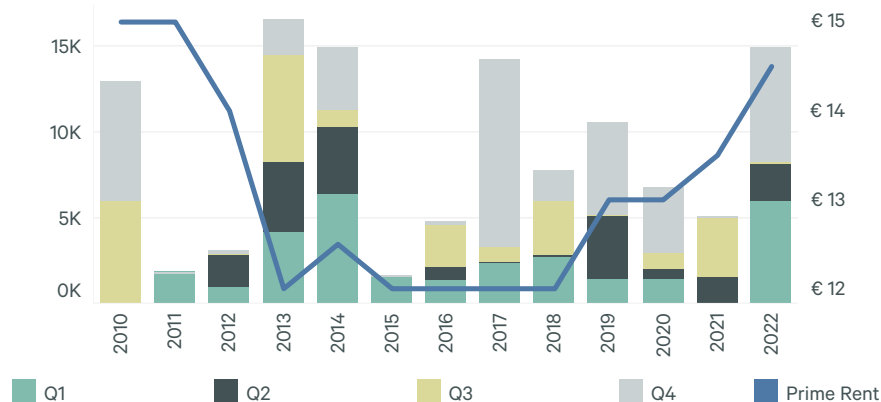
Square Meter
- (2023) // - (2024)

The total office stock in Szczecin amounts to 186,000 sq m. In Q4 2022 no new buildings were delivered. Throughout 2022 overall only one building was delivered and 1,500 sq m was added to the stock.

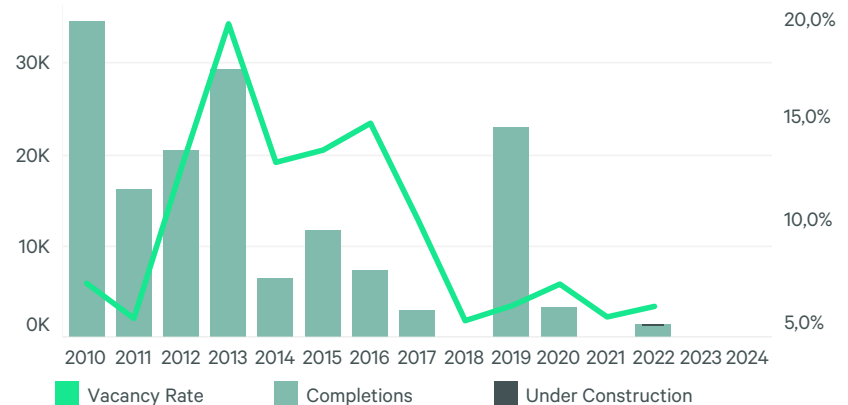
Demand in Szczecin in 2022 reached 18,450 sq m, which is the highest outcome observed in this city to date. The demand is dominated by renegotiations (56%) and new lease agreements (29%), with expansions being in the minority (16%). The largest transaction in 2022 in Szczecin was Demant's expansion and renegotiation for a total of 6,000 sq m (manufacturing, industrial and energy sector), which contributed to almost 33% of the total 2022 demand.

At the end of 2022, the vacancy rate stood at 5.79%, which translates into 10,800 sq m readily available. This shows an increase of 0.51 p.p. since 2021, yet it still is the lowest rate among all regional markets.

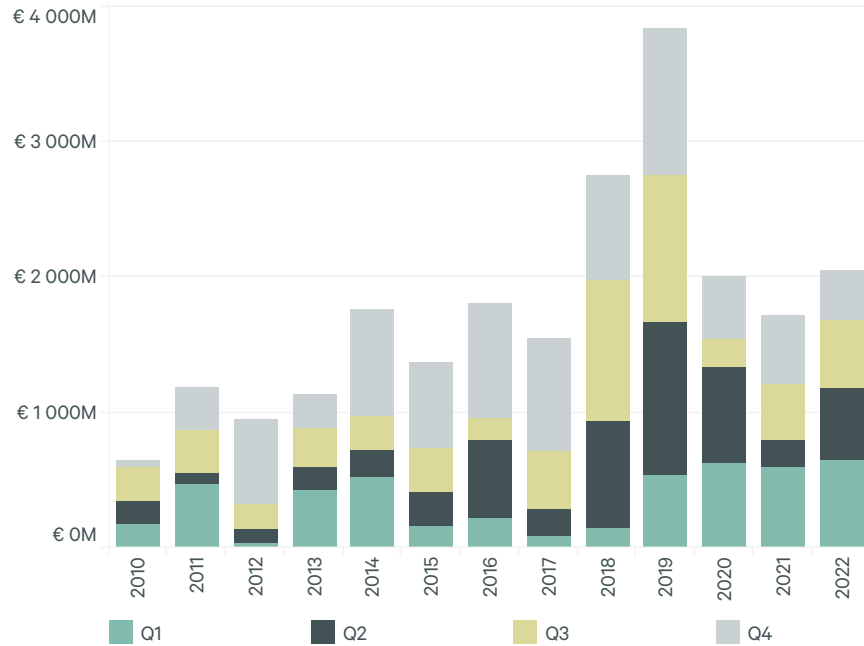
Market Trend (Take-Up | Prime Rent)



Development Activity (Completions | Vacancy Rate)



Poland Office Investment Volumes



The prime headline rent has risen to the level of EUR 14.50/sq m/month, which reflects the low amount of available space. The average rent amounts to 13.90 EUR/sq m/month, while tenants with a standard 5-year agreement may obtain up to 3 months' rent free.

Office supply in Szczecin still represents a fairly small part of the regional market, with less than a 3% office area share in all regional stock.

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