Industrial and logistics market in Poznan

RAPORT

CBRE RESEARCH 2022

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Introduction

Poznan in numbers

- 546,900 inhabitants in the city
(according to general census from 2021)
- More than 650,000 people staying in Poznan every business day
- 1,000,000 residents in Poznan Agglomeration
- Strong academic centre: 105,000 students, 25,000 graduates, 24 universities (Polish Statistical Office, 2022)
- Unemployment rate – 1.1%
(Polish Statistical Office, July 2022)
- GDP per capita – 120,833 PLN
(Polish Statistical Office, 2019)
- Attractive location between Berlin (3h by car) and Warsaw (3h by car)
- More than 80 regular and charter air links from Poznan. Direct flights to London, Copenhagen, Munich, Frankfurt and Amsterdam
- Compact city with a modern public transport system (15-Minutes City Concept)
- Poznan Metropolitan railway– quick access to the city centre from surrounding municipalities
- Record-breaking growth of demand for warehouse space of more than 31% year on year
- Production plants in Poznan: Bridgestone, Lorenz, Nivea, Solaris Bus&Coach, Wrigley Mars, Volkswagen

Awards

- City of the Year in the ranking of Business-friendly City 2022 regarding support of local authorities according to Emerging Europe
- 2nd place in category ‘Business-friendly City’ in the ranking FDI European Cities and Regions of the Future 2022/23
- City of the Year (2021) in the contest organized by the prestigious magazine EuropaProperty
- Best Team for Investor Relations Department in 5th edition of the Top Woman in Real Estate competition
- Fitch Rating – A-
- Moody’s Rating – A3

Investment incentives

- Employer branding – organization of press conferences, distribution of materials to local media, through social media and on the website www.poznan.pl
- Project manager – dedicated person for the project, responsible for preparing and starting a new investment and cooperation with the investor after the launch of the project
- Preparing the investment and promoting the offer of urban properties
- Support in the recruitment of employees
- Cooperation with the investor after the launch of the project

“Poznan is an important business centre on the Polish map. There are almost 123,000 economic units in our city, of which 3,530 are units involving foreign capital. Significant interest in Poznan was noted for instance among companies from the industrial and logistic sector. In 2021 we observed record-breaking growth of demand for warehouse space of more than 31% year on year. Twelve large logistics projects with a total area of almost 418,000 sq m are now under construction within Poznan Agglomeration after the first half of the year.

Four investment sites on which production and storage infrastructure will be created were sold in 2021. Moreover, the City is preparing other land plots which will be put on the market in the next few years. The City also shows strong results in the production sector. In 2021 we gained three new investors. Also, companies which have been present in Poznan already for many years have plans for further development. Some of the existing plants will have their logistics premises expanded within the city in order to increase production capacity.

Companies appreciate the convenient location of Poznan which facilitates access to the markets of both Eastern and Western Europe. An additional advantage of the city is a stable investment climate. Regardless of the pandemic, which had huge impact on the economy, Poznan remains one of the cities with the lowest unemployment rates in the country and records GDP growth year on year. Independent international ratings confirm the development of Poznan’s economy. The rating agencies of Moody’s Investors Service and Fitch Ratings once again considered that the City has high capacity for fulfillment of any financial liabilities incurred. Moreover, they have maintained the stable forecast for the city which means that in the near future the financial credibility of Poznan should not change.

I encourage you to read the report which will present the climate of the production, logistics and warehouse sector.”

Jacek Jaśkowiak

Mayor of Poznan

1. Investment potential

Poznan at the background of Poland and its investment and socio-economic potential.

Investment potential

Poznan at the background of Poland and its investment and socio-economic potential.

Location

Poznan is the capital city of a voivodship, located in the west of Poland between Berlin and Warsaw (174 km to the border with Germany). It is the 5th city in terms of number of inhabitants in Poland and the 8th in terms of area (261.9 sq km). Poznan together with the Poznan poviat and the communes of Oborniki, Skoki, Szmotuly and Srem constitute the Poznan agglomeration focused on economic development and the creation of new jobs.

5 national roads (including the A2 motorway, which has the status of the European route E30) and 7 voivodship roads meet in Poznan. The Poznan Railway Junction, through which 8 railway lines run, is one of the largest and busiest in the country. The airport located in the city handled nearly 2.5 million passengers in 2018. In addition, the international Poznan-Lawica Airport is located just 7 km west of the city centre. Poznan-Lawica Airport, in terms of the total amount of passenger traffic, was ranked 7th in Poland in 2021. At the same time, in terms of the dynamics of passenger traffic on a year-to-year basis (160.43%) and the air traffic reconstruction ratio in relation to 2019 (44.34%), Poznan was ranked 3rd among the airports serving more than a million passengers. 18 tram lines form the basis of public transport in the city, complemented by 47 normal bus lines and 66 suburban bus lines. At night, public transport is based on 22 bus lines and two tram lines. Most of the night lines run every 30 minutes, and their central transfer points are Rondo Kaponiera and Poznan Glowny (railway and bus station).

Since 2012, the system of self-service Poznan Rower Miejski (PRM) bike rentals has been operating in the city. Last season, city bikes were rented 320,497 times

Demography

529,4100 citizens are registered in Poznan, which places the city in fifth place in the country in terms of population. These data do not take into account the results of the National Census, according to which the number of registered inhabitants of Poznan was higher.

Population	
Total	**529,410**
In pre-working age	17.,3 %
In working age	57.3%
In post-working age	25.4%
Population per 1 sq km of total area	2021

Source: Polish Statistical Office, 2022

Although in recent years there has been a positive natural increase in terms of the population of Poznan, a significant decrease was recorded in 2021. This result mainly reflects the impact of the Covid-19 pandemic.

Infrastructure

Five roads of national importance intersect at the Poznan road junction: expressway S5, S11, the A2 motorway with the parallel national road 92 and national road 32 ending its course in Steszewo near Poznan. The A2 motorway has the status of the European route E30, while the S5 is also known as the E261 route. Seven provincial roads also end their course in Poznan or at its borders: No. 184 from Wronki, No. 194 from Gniezno (part of the former road No. 5), No. 196 from Wagrowiec, No. 307 from Bukowiec, No. 311 from Czempin and No. 430 from Mosina. In addition, the provincial road No. 433 (the former urban section of the road No. 11 after the construction of the S11 express bypass) runs through the city. Since December 1, 2011, Poznan has had a direct motorway connection with Western European countries, and since June 6, 2012 also with the country's capital, Warsaw.

Wielkopolskie voivodeship – road layout

Source: General Directorate for National Roads and Motorways

Education

In the 2020/2021 academic year in Poznan there were 197 students per 1,000 inhabitants and the Greater Poland voivodship took 3rd place in terms of the number of students in Poland. There are 24 universities in Poznan with over 104,700 students. Among the most important universities are: Poznan University of Technology and Adam Mickiewicz University.

The most popular study profiles in the 2020/2021 academic year are as follows:

1. Business and administration – 21 thousand
2. Medical - 10.4 thousand
3. Language courses – 9.0 thousand
4. Social studies – 8.6 thousand
5. Engineering and technical – 7.5 thousand
6. ICT technologies – d 6.5 thousand
7. Pedagogical – 6.2 thousand

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Economy

The employment structure in the voivodship is characterized by the dominant share of the service sector at the level of 55%, while the industrial and agricultural sectors account for 32% and 13% of the employed, respectively (Polish Statistical Office, 2021).

In Poznan, industry is a source of income for over 32% of people working in the enterprise sector and provides, after services, the largest part of the gross value added generated in the city. Poznan is an important industrial centre for:

- automotive
- food
- pharmaceutical
- chemical
- machinery

The leading producers on a national scale include:

- Volkswagen Poznan Sp. z o. o.
- ENEA SA
- Bridgestone Poznan Sp. z o. o.
- Exide Technologies SA
- Kompania Piwowarska SA

At the end of December 2021, for the Wielkopolskie voivodship, 123,009 entities of the national economy listed in the REGON register (excluding persons running private farms in agriculture) were based in Poznan. Entities from Poznan accounted for 25.8% of all those entered in the register from the Wielkopolskie voivodship.

Having regard to the number of employed people, micro-enterprises, ie. entities employing up to 9 people, prevailed (96.3% of all entities included in the register). The share of small entities (employing from 10 to 49 people) amounted to 3.9%. Large and medium-sized entities (over 50 employees)

The unemployment rate in Poznań is very low and amounts to 1.1%, and in the entire Wielkopolskie voivodship – 2,7%

(Polish Statistical Office, July 2022)

accounted for 0.7% of all entities entered in the REGON register.

The majority of entities are individuals conducting a business activity (72,500, ie. 61.0% of all entities), commercial companies (27,600, ie. 23.2%) and civil law partnerships (9,400, ie 7.9%) are also represented in large numbers. (Polish Statistical Office, 2021)

Most entities operate in the field of:
(Polish Statistical Office, 2021)

• trade and repair of motor vehicles (20.2%);

• professional, scientific and technical activities (16.4%);

• construction (9.3%);

• information and communication (7.5%);

• health care and social assistance (6.6%);

• real estate market services (6.1%);

• industrial processing (6.0%).

The spatial structure of the location of economic entities by districts shows some differentiation. Most entities are located in the districts of Stare Miasto (31%)

Position	Salary in Wielkopolskie voivodship	
	min.	max.
Production worker (unskilled)	3,700	5,300
Production worker (skilled)	4,300	7,800
Sorter	4,625	6,625
A forklift operator	4,400	5,300
Mechanic	4,900	7,800
Electrician	4,800	8,000
Machine operator	4,300	7,800
Shift supervisor	5,900	9,700
Warehouse worker	4,600	6,500
Logistics specialist	8,400	11,600
Logistics manager	14,000	23,000
Production engineer	9,100	13,600

Źródło: Antal, lipiec 2022 r.

and Grunwald (23%). Approximately 20% of them operate in Nowe Miasto and Jezyce, and less than 10% are located in Wilda. (Polish Statistical Office, 2021)

Labour Market

The unemployment rate in Poznan is very low and amounts to 1.1%, and in the entire Greater Poland Voivodship - 2.7% (Polish Statistical Office, July 2022). This is a lower level than for the whole of Poland, where the registered unemployment rate is 4.9% (Central Statistical Office, July 2022).

Wages in the production and logistics sector for a given position in the Wielkopolskie voivodship are presented below, monthly salaries are shown in PLN gross.

Infrastructural investments

In terms of improving transport accessibility, the largest expenses in 2021, above PLN 10 million, were allocated to, among others:

- Construction of the tram route to Naramowice - stage I from the Wilczak terminus to Naramowice - along with the construction of the Nowa Naramowicka communication junction
- In 2021, construction works were carried out and since August 2021, passengers have been able to use the tram line that connects the Wilczak terminus with the Wlodarska stop. At the beginning of October 2021, this route was extended to the Lechicka / Naramowicka stop, which is located at the emerging two-level junction. The tram route to the last stop – Blazeja street became operational in April 2022.
- Expansion of St. Marcin Street on the section between Ratajczak Street and Aleja Marcinkowskiego along with the reconstruction of a part of Aleja Marcinkowskiego on the section from St. Marcin Street to Wolnosci Square
- The works planned as part of this investment began in April 2021. The planned date for completion is Q3-Q4 2022.
- Extension of a section of St. Marcin Street on the section from the University Bridge to al. Niepodleglosci together with the intersection with al. Niepodleglosci and Towarowa Street and the expansion of a part of St. Marcin Street on the section from al. Niepodleglosci to Gwarna Street
- Works planned as part of this investment started in November 2021. Their completion is scheduled for the first quarter of 2023.
- Design - construction - Centre - Wolnosci Square / 27 Grudnia Street / Ratajczaka Street / Kantaka Street / Fredry Street / Mielzynski Street
- At the end of December 2021, the contract notice was submitted for publication in the Official Journal of the European Union. The tender procedure is underway.

The contractor will have up to 600 days from signing the contract to carry out design and construction works.

- reconstruction of the tram route: Kornicka Street - os. Lecha - the Zegrze roundabout with the construction of the section from the Zegrze roundabout to Unii Lubelskiej Street
- In 2020 the arrangements and cost estimates of the design documentation for section I were updated (the so-called Kornicka route with a small part of the Latin Ring); by the end of 2023, works related to the liquidation of the railway crossings are planned to be completed, and the remaining works will be completed in 2024.
- renovation of public transport infrastructure - the task includes reconstruction, modernization and expansion of such infrastructure elements as: tram tracks, traction substations, substation power supply elements, traction cables, traction network, bus stations, tram and bus stops with equipment.
- The project is being implemented according to a schedule; the planned completion date of the project is the fourth quarter of 2025.
- construction of the pedestrian and bicycle route Wartostrada - the project covers the reconstruction of 4 existing sections and the construction of 7 new sections along the Warta River together with the revitalization of greenery - from Lech Bridge to Przemysl Bridge
- In 2020, a new 1.3 km section of the Wartostrada between the Queen Jadwiga Bridge and the steps and the ramp by the park in the Old Warta River Bed came into operation, with an approx. 0.5 km section connecting the railway viaduct with the Mieszko I Bridge, which can be used to walk or reach the terrace at the ICHOT Gate of Poznan. Works also related to the construction of the Wartostrada connector in the area of the so-called Cypel and the Boleslaw Chrobry Bridge, thanks to which pedestrians and cyclists are able to get from Estkowski Street to the river and to the hinterland of the marina in the Old Port; in addition, in 2021, construction renovations were completed on the 1.8 km long section along the eastern bank of the river, between the Queen Jadwiga and Przemysl I bridges.
- Construction of a pedestrian and bicycle bridge over the Warta and Cybina rivers between Berdychow, Ostrow Tumski and Chwaliszew
- In 2021, the investment received funding from the governmental “Polish Deal” Program. Preparation of the documents necessary to announce a tender for the selection of the General Contractor is in progress. The investment is planned for the years 2022-2024.
- Opening of 3 Park and Ride car parks
- On March 15, 2021 three new “Park & Ride” parks were opened at the following streets: St. Michał, Biskupinska and at the Staroleka roundabout. The construction of the P&R car parks accords with implementation of an important element of the City’s policy aimed at improving communication in Poznan and encouraging residents to combine various means of transport and increasing the use of public transport.

The quality of life in the city

The City of Poznan regularly implements investments contributing to the improvement of the quality of life of all residents and the increase in the importance of Poznan on the international arena.

Poznan has a wide cultural offer (13 cinemas, 30 museums, 21 theaters, 40 art galleries, Malta Festival Poznan, OFFCINEMA International Documentary Film Festival, ANIMATOR International Animated Film Festival, Spring Break Festival), as well as high-quality hotel and restaurant facilities (500 restaurants and bars, including 60 restaurants from the Gault & Millau guide), plus various sports events organized throughout the year (10 stadiums, 503 pitches, 1 race track, Poznan Marathon, SuperLeague Triathlon, Poznan Open, Wings For Life run, Poznan Half Marathon, Bike Challenge) .

Healthcare is also well developed in the city. Thanks to the dense network of medical facilities, hospitals and clinics, both public and private, in Poznan, you can quickly gain access to medical assistance. Furthermore, in order to ensure high comfort of communication, the city regularly invests in the expansion of its transport fleet, at the same time implementing key investments in transfer centres, which will combine bus and railway stations, as well as car parks with bicycle stations.

It is, among others, thanks to the above-mentioned advantages that Poznan is a friendly, comfortable and safe place to live, work and study. Its compact character, green spaces and developed service sector meet the needs of its residents, who have repeatedly recognized Poznan as one of the best cities to live in in Poland.

2. Comparative analysis of the region

Comparative analysis of the industrial and logistics region of Poznan against the most developed regions in Poland.

Comparative analysis of the region

Comparative analysis of the industrial and logistics region of Poznan against the most developed regions in Poland.

The aim of the following analysis is to present a detailed description of the industrial and logistics market in Poznan and compare it with other Polish cities with a similar level in terms of the modern warehouse space stock.

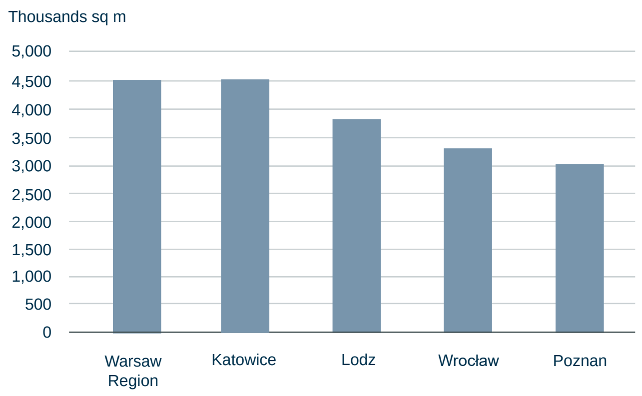
The analysis takes into consideration only modern schemes for rent (standard properties designed for many tenants and build-to-suit properties). The scope of the analysis does not include industrial and logistics projects, where user is also an owner of the property.

Poznan belongs to one of the five the most developed markets when it comes to warehouse space stock and is one of the regions of the so called 'big five' besides Warsaw (Region), Katowice, Lodz and Wroclaw which together constitute 74% of Polish warehouse stock. In the following analysis it will be compared against these markets and also considered against the background of Poland overall, as a completion of the scrutiny.

Supply

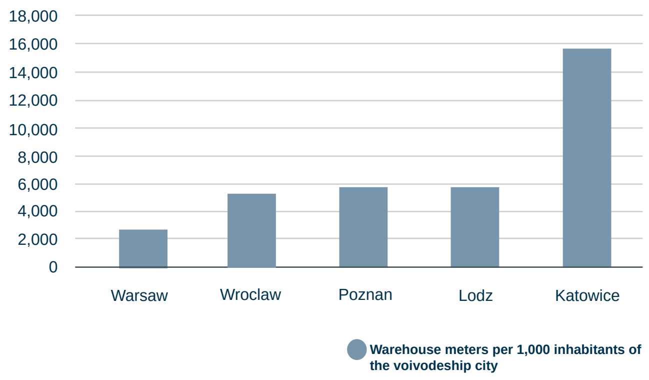
In the first half of 2022 there was 3.0 m sq m of the industrial and logistics space in the Greater Poland Voivodship thanks to which Poznan took the 5th place among the warehouse markets in Poland accounting for 12% of the warehouse space in the country overall and 16% when considered in terms of the five biggest markets.

Existing supply of the modern industrial and logistics space

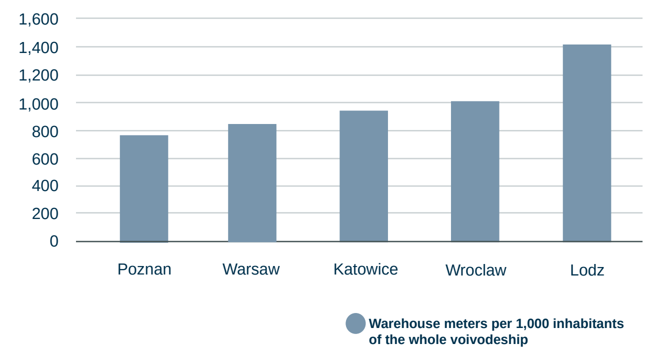


Considering the relationship of the existing amount of warehouse space in the region to the number of the residents of the Greater Poland Voivodship, it occurs that Poznan is on the third place among five regions. Definitely the most square meters of warehouses falls on 1,000 residents of Katowice which is a relatively small voivodship city due to the spread of the population over the whole Silesian agglomeration.
On the other hand, if we study the relationship of the warehouse space to the number of residents of the whole voivodship, Poznan represents significant development potential.

The relationship of the existing industrial and logistics space stock to the number of the residents of the voivodship city.

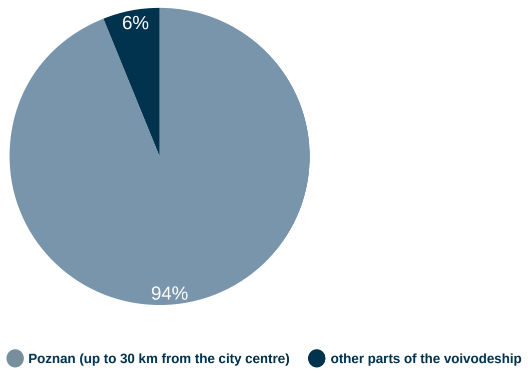


The relationship of the existing industrial and logistics space stock to the number of the whole voivodship.



The supply in the region of Poznan is concentrated around the city of Poznan. Up to 30 km from the centre of Poznan there is 2.84 m sq m of modern warehouse space, however only 166,800 sq m is located in another areas of the Greater Poland Voivodship, like for example Kalisz, Konin, Srem, Wrzesnia.

Concentration of the industrial and logistics locations in the region



In the first half of 2022 there were 56 new modern industrial and logistics projects in the Greater Poland region.
In H1 2022, 352,200 sq m of new space was completed, whereas in the previous year it was 390,100 sq m in 17 logistics objects. This is almost 4 times more than was handed over in 2020. The biggest projects completed in the first half of 2022 was P3 Poznan II (82,300 sq m) and in 2021 - Panattoni BTS DHL Poznan with a size of 107,900 sq m.

The biggest projects in the first half of 2022 and in 2021 in the region of Poznan

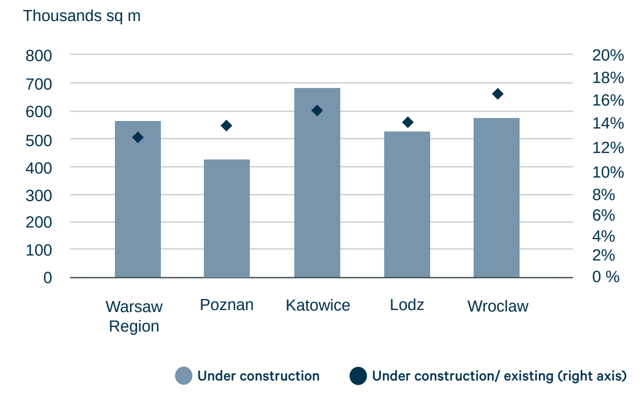
Year	Park	Completed (sq m)	Developer
2021	Panattoni Park Poznan XI (BTS DHL)	107,900	Panattoni
2022	P3 Poznan II	82,300	P3 Logistic Parks
2022	7R City Park Poznan	51,200	7R
2022	Segro Logistics Park Poznan Goluski	50,400	Segro
2021	Prologis Park Poznan III	48,100	Prologis
2022	Panattoni Park Poznan XIII	42,200	Panattoni
2021	Panattoni BTS Halfen Kalisz	40,000	Panattoni
2021	P3 Poznan II	38,400	P3 Logistic Parks
2022	Panattoni Park Poznan XII	34,100	Panattoni
2022	Clip Poznan	30,000	Clip
2022	Panattoni Park Poznan East	26,500	Panattoni
2021	MLP Business Park Poznan	25,800	MLP Group
2022	MLP Poznan West	25,500	MLP Group
2021	City Logistics Poznan I	21,700	Panattoni
2021	Panattoni Park Kalisz	20,300	Panattoni
2021	Panattoni Park Poznan X	19,200	Panattoni
2021	Panattoni Park Poznan IX	18,100	Panattoni
2022	Panattoni BTS Bolechowo (Solaris)	10,100	Panattoni

In mid-2022 there was 417,900 sq m under construction in the region of Poznan. This space is mostly already secured with the lease agreements. Among the biggest industrial and logistics markets Poznan takes 5th place with regard to the amount of space under construction. In mid-2022 there was more than 4.4 m sq m under construction in the whole of Poland.

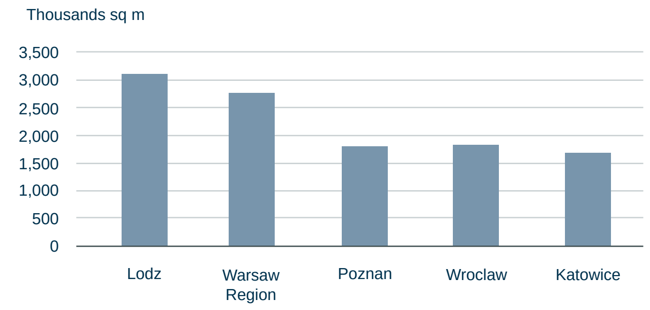
Among the projects planned near Poznan we can differentiate: Lcube Logistic Park Poznan West (258,800 s qm), Waimea Park Wrzesnia (150,000 s qm), Panattoni Park Poznan A2 (146,000 s qm), Hillwood Poznan Czempin (107,800 s qm), 7R Park Poznan West (55,400 s qm) i Panattoni Park West Gate II (47,000 s qm).

Developed markets are characterised by a lower market potential than for the emerging markets. However, Poznan still stands out as offering significant development potential for the industrial and logistics market. Among the compared regions it takes third place in terms of the planned new industrial and logistics space in comparison to the existing stock and schemes under construction.

Space under construction within the 5 biggest markets and the relationship between the space under construction when compared to existing schemes



Planned space



In mid-2022 there was 417,900 sq m under construction in Poznan and in addition, more than 1.8 m sq m of the new warehouse space was planned, which means that in the near future the size of the Poznan market could be increased by half. In comparison to the other developed markets, Poznan represents the third highest growth potential.

Potential of market development (planned space in relation to the existing space and schemes under construction):

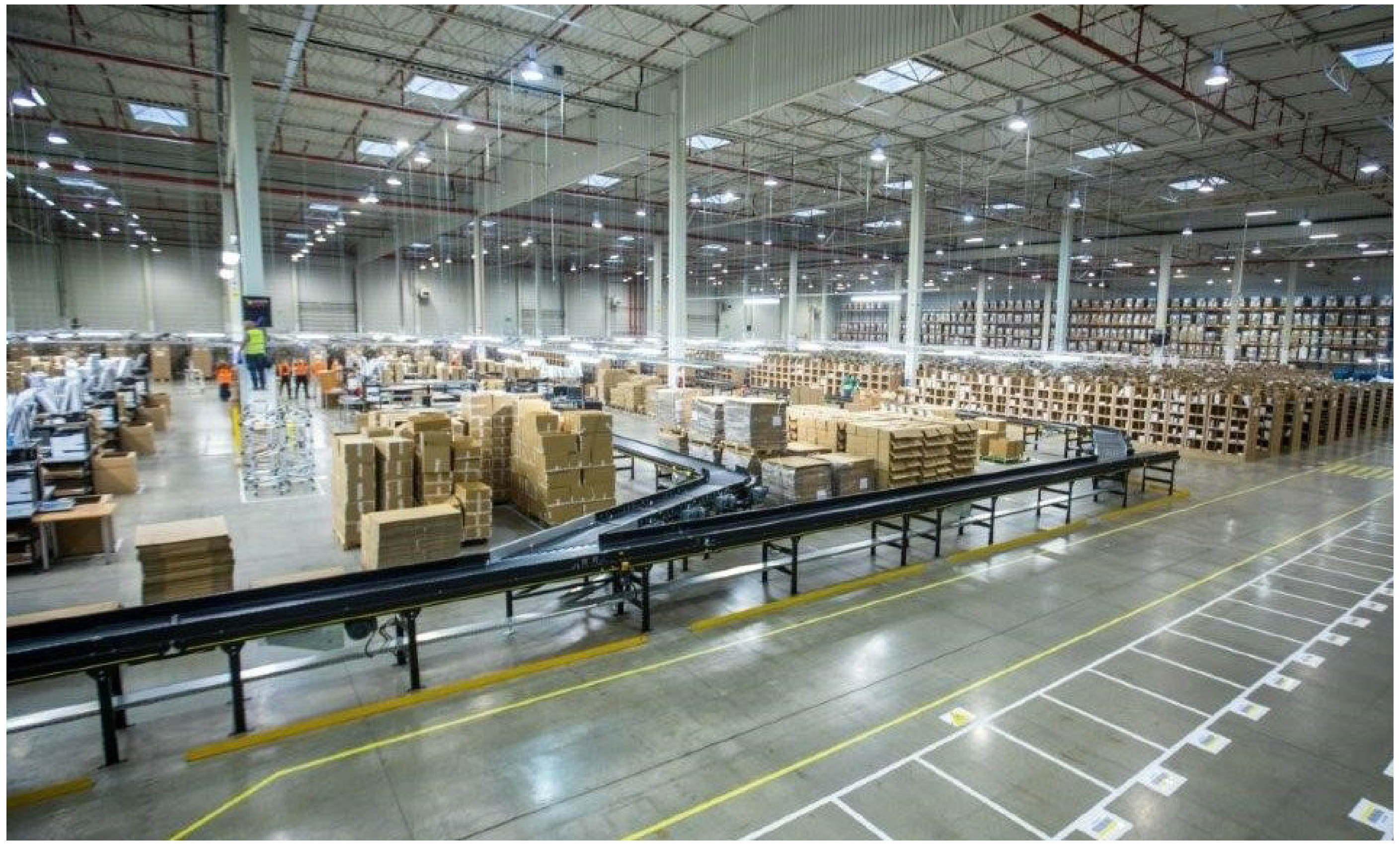
+71% Lodz

+54% Warsaw

+53% Poznan

+49% Wroclaw

+32% Katowice



The biggest existing and planned industrial and logistics projects located up to the 30 km from the city centre of Poznan are included in the table below:

Park	Existing space (sq m)	Planned space (sq m)	Vacancy (sq m)	Under construc-tion (sq m)	Developer/
Clip Poznan	275,050	345,050	0	0	Clip
Segro Logistics Park Poznan Komorniki	210,027	234,325	0	0	Segro
P3 Poznan	190,008	190,008	0	0	P3 Logistic Parks/GIC
Panattoni Poznan (BTS Amazon)	123,000	123,000	0	0	Panattoni/Blackbrook
Prologis Park Poznan II	120,769	120,769	1,037	0	Prologis
P3 Poznan II	120,364	224,986	0	77,360	P3 Logistic Parks/GIC
Panattoni BTS DHL Poznan	107,869	107,869	0	0	Panattoni
Logicor Poznan I	88,960	88,960	863	0	Panattoni/Logicor
BGO Poznan	86,897	86,897	0	0	Panattoni/BentallGreenOak
Panattoni Park Poznan IV	85,872	85,872	0	0	Panattoni/Savills IM

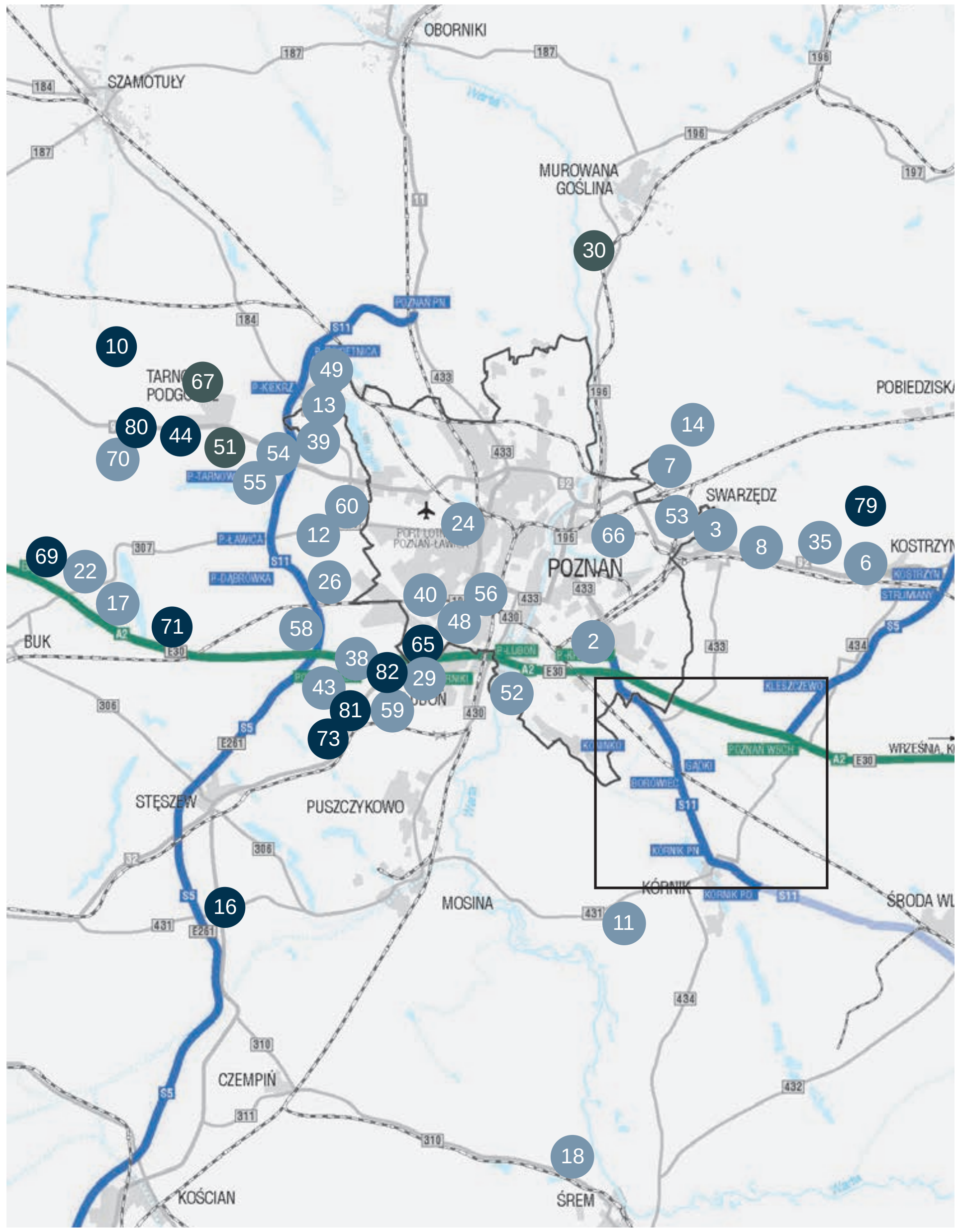
Selected industrial and logistics parks in Poznan and their specification

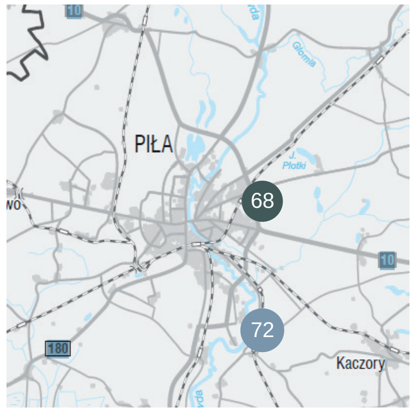
Park	Specification	Developer
Segro Logistics Park Poznan Komorniki	Existing space: 210,027 sq m Planned: 234,328 sq m Vacancy: 0 m kw. Under construction: 0 sq m ESFR sprinklers; floor loading capacity 5 t/sq m; fire resistance up to 4000 MJ/sq m; column grid 12x24, clear height 10m; skylights; smoke dampers	Segro
P3 Poznan	Existing space: 190,008 sq m Planned: 190,008 sq m Vacancy: 0 m kw. Under construction: 0 sq m Tryskacze ESFR; wysokość w świetle 10-12m; nośność posadzki 5-7.5 T/m2; tryskacze ESFR; możliwy cross dock; 1 dok załadunkowy na 900-1600 m2 powierzchni magazynowej; możliwa lekka produkcja; ochrona 24h; wolny dostęp 24/7	P3 Logistic Parks
Prologis Park Poznan II	Existing space: 120,769 sq m Planned: 120,769 sq m Vacancy: 1,037 sq m Under construction: 0 sq m height 10 m; floor loading capacity 5 t/sq m; ESFR sprinklers installation; wide service yards; technical service within the park; reading of media by remote system; LED lighting; rack systems	Prologis
Logicor Poznan I	Existing space: 88,960 sq m Planned: 88,960 sq m Vacancy: 863 sq m Under construction: 0 sq m floor loading capacity 5t/sq m; height 10 m; ESFR sprinklers; column grid 12x25m; service yards with a depth of min. 28m; fence with a gate, gatehouse; parking for cars; CCTV	Panattoni
BGO Poznan	Existing space: 86,897 sq m Planned: 86,897 sq m Vacancy: 0 sq m Under construction: 0 sq m height 10m, column grid 12x22.5m; smoke dampers, ESFR sprinklers; skylights; floor loading capacity 5 t/sq m	Panattoni
Panattoni Park Poznan IV	Existing space: 85,872 sq m Planned: 85,872 sq m Vacancy: 0 sq m Under construction: 0 sq m height 10m, column grid 12x22.5m; smoke dampers, ESFR sprinklers; skylights; floor loading capacity 5 t/sq m	Panattoni
Panattoni Park Poznan VIII	Existing space: 84,732 sq m Planned: 84,732 sq m Vacancy: 0 sq m Under construction: 0 sq m 84 732m; height, column grid 12x22.5m; smoke dampers, ESFR sprinklers; skylights; floor loading capacity 5 t/sq m; gates from the 0 level	Panattoni
GLP Poznan II Logistics Centre	Existing space: 82,000 sq m Planned: 82,000 sq m Vacancy: 0 sq m Under construction: 0 sq m column grid 12x24m; height 10m; floor loading capacity 5 t/sq m; ESFR sprinklers; fire protection .	Goodman

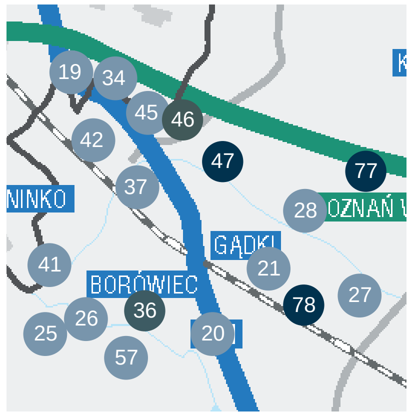
Panattoni Park Poznań IX	Existing space: 81,034 sq m Planned: 81,034 sq m Vacancy: 0 sq m Under construction: 0 sq m 24-hour security; height 10 m; column grid 12x22.5 m; entrance gates from the 0 level; parking for cars and trucks; fire resistance up to 4000 MJ/sq m; LED lighting; floor loading capacity 5 t/sq m; wide service yards	Panattoni

The industrial and logistics schemes are located around the city, but above all, in the south-eastern part and close to the west wall. In the first case, the A2 motorway plays a key role in supporting logistics, however there is the national road S11 and its intersection with the A2 motorway in the west wall of Poznan.

The map of existing and planned industrial and logistics schemes





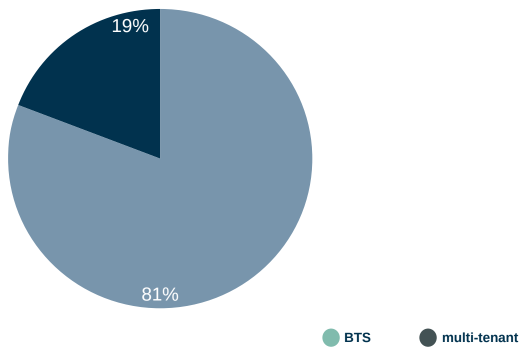


Existing logistics parks	
2.	7R City Park Poznan
3.	Poznan East Logistics Centre
6.	Warehouse Logistic Centre Kostrzyn
7.	City Logistics Poznan I
8.	Clip Poznan
11.	Doxler Business Park
12.	GLP Poznan Airport Logistics Centre
13.	GLP Poznan II Logistics Centre
14.	Poznan Logistics Centre III
17.	ILD Niepruszewo
18.	Invest Park Srem
19.	Logicor Poznan I
20.	Logicor Poznan II
21.	Logicor Poznan III
22.	Logicor Poznan IV
24.	MLP Business Park Poznan
25.	MLP Poznan
26	MLP Poznan West
27.	P3 Poznan
28.	P3 Poznan II
29.	CGL Poznań Park
34.	Panattoni Park Poznan East
35.	Panattoni Park Poznan East Gate
37.	Reino IO Park Poznan
38.	Panattoni Park Poznan IV
39.	Panattoni Park Poznan IX
40.	Poznan South Logistics Centre
41.	Panattoni Park Poznan VI
42.	BGO Poznan
43.	Panattoni Park Poznan VIII
45.	Panattoni Park Poznan X
48.	Panattoni Park Poznan XII
49.	Panattoni Park Poznan XIII
52.	Industrial Park Luvena
53.	Poznan Distribution Center
54.	Prologis Park Poznan I
55.	Prologis Park Poznan II
56.	Prologis Park Poznan III
57.	Segro Logistics Park Poznan Gadki
58.	Segro Logistics Park Poznan Goluski
59.	Segro Logistics Park Poznan Komorniki
60.	EQT Exeter Park Poznan-Airport
66.	Warehouse Mogilenska 50
70.	7R Park Poznan West
72.	Panattoni Park Pila
73.	Panattoni Park Poznan XIV

Planned logistics parks	
1.	7R City Park Gniezno
10.	DL Invest Kazmierz, Szamotuly
16.	Hillwood Poznań-Czempin
44.	Panattoni Park Poznan West Gate I (Tarnowo Podgorne)
47.	Panattoni Park Poznan XI (Zerniki)
65.	Ideal Idea City Park Poznan
69.	MLP Park Poznan West III
71.	LCube Logistic Park Poznan Zachod
77.	Panattoni Park Poznan A2
78.	Panattoni Park Poznan East II
79.	Panattoni Park Poznan East Gate II
80.	Panattoni Park Poznan West Gate II
81.	Segro Logistics Park Poznan Plewiska
82.	Segro Logistics Park Poznan Komorniki
83.	Waimea Park Wrzesnia

BTS projects	
30.	Panattoni BTS Bolechowo (Solaris)
36.	Panattoni Park Poznan I (BTS H&M)
46.	Panattoni BTS DHL Poznan
51.	Panattoni Poznan (BTS Amazon)
67.	Panattoni BTS Poznan
68.	Panattoni BTS THULE

Industrial and logistics space stock in Poznan by type of building



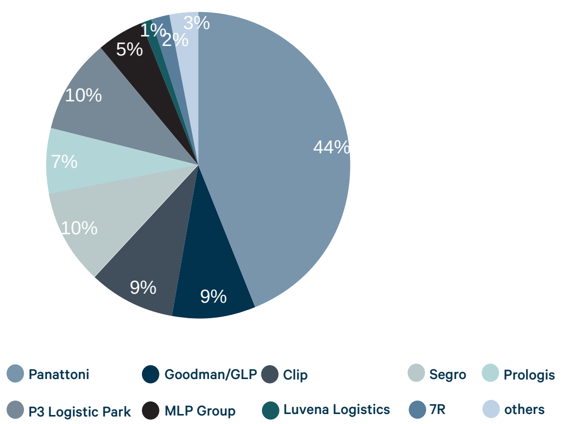
Within the Poznan market the majority of schemes are designed for multiple tenants - 81%, whereas BTS projects (built-to-suit) account for 19%.

Developers of the industrial and logistics space

On the industrial and logistics space leasing market in Poznan we can differentiate both developers which are active nationally (for example Panattoni, Prologis, Goodman/GLP, P3 Logistics Parks, Segro), but also local ones (for example Clip, Luvena Logistics and Logit).

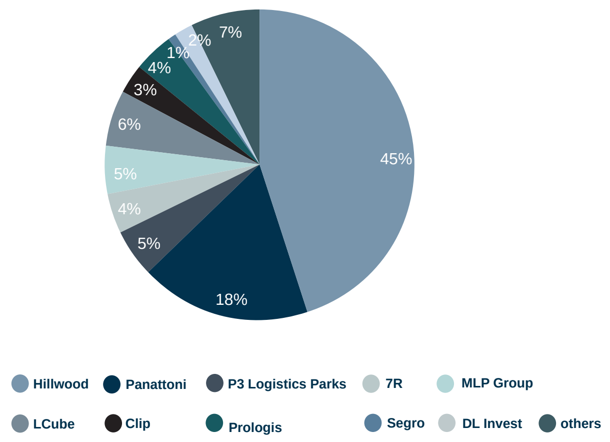
Among all of the developers the majority of space is generated by Panattoni – about 1.3 m sq m. Amongst the local developers Clip built the most, which is 275,100 sq m in one location, where there is also an intermodal terminal.

Existing space by developers



Taking into consideration planned space and schemes under construction, Hillwood represents the biggest potential among all developers and appears in three locations – Hillwood Poznan-Czempin with a potential of 107,800 sq m, Hillwood Konin with a potential of as much as 600,000 sq m and Hillwood Rawicz with potential for 146,900 sq m.

Planned space and space under construction by developers



sss

Existing industrial and logistics space by developers (5 biggest markets):

- 44% Panattoni
- 13 % Prologis
- 6% Segro
- 6% P3 Logistics Parks
- 5% Goodman/GLP
- 5% MLP Group
- 4% Hillwood
- 3% 7R
- 13 % Others

As well as in Poznan, the developer Panattoni dominated in all analysed cities. Taking into consideration the five developed markets, Panattoni delivered in total about 8.5 m sq m (44% of the existing stock). In second place is Prologis with 2.6 m sq m of the modern warehouse space (13%).

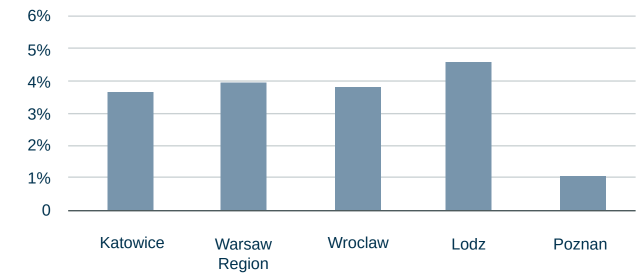
Vacancy rate

In the first half of 2022 the vacancy rate for industrial and logistics space in Poznan was only 1.0%. The rest of the stock of Poznan was fully occupied by diverse tenants.

This was the lowest vacancy rate among the 5 biggest markets, although in all regions the value was below 5%. The highest vacancy rate was recorded in Lodz at 4.3%.

The average vacancy rate in Poland was 3.2% in the first half of 2022 and at the same time it was the lowest percentage ever recorded.

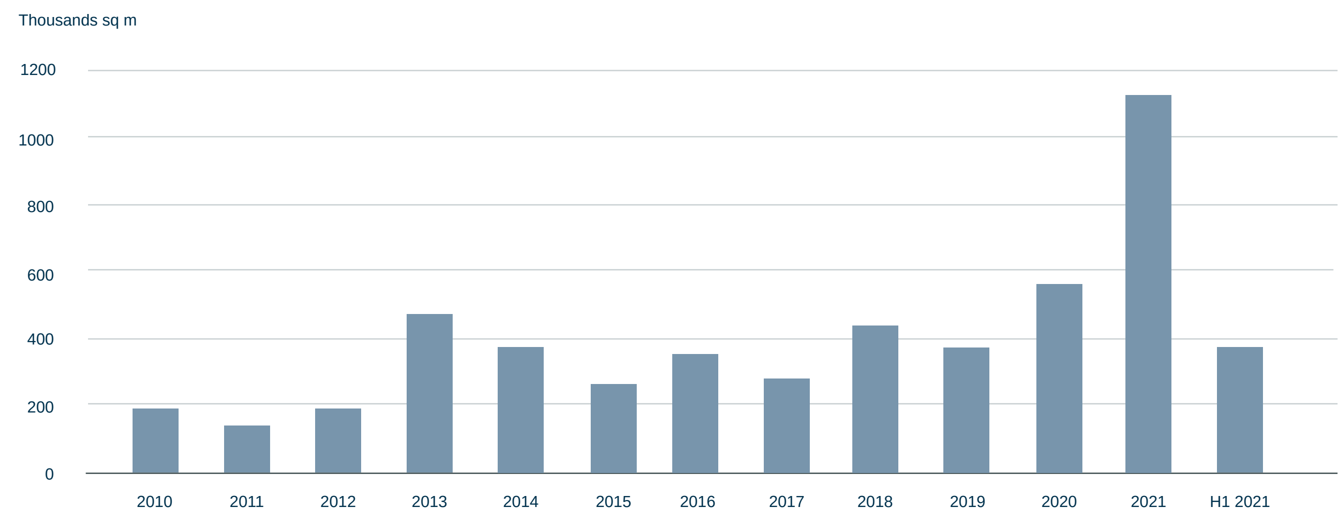
Vacancy rate



Demand

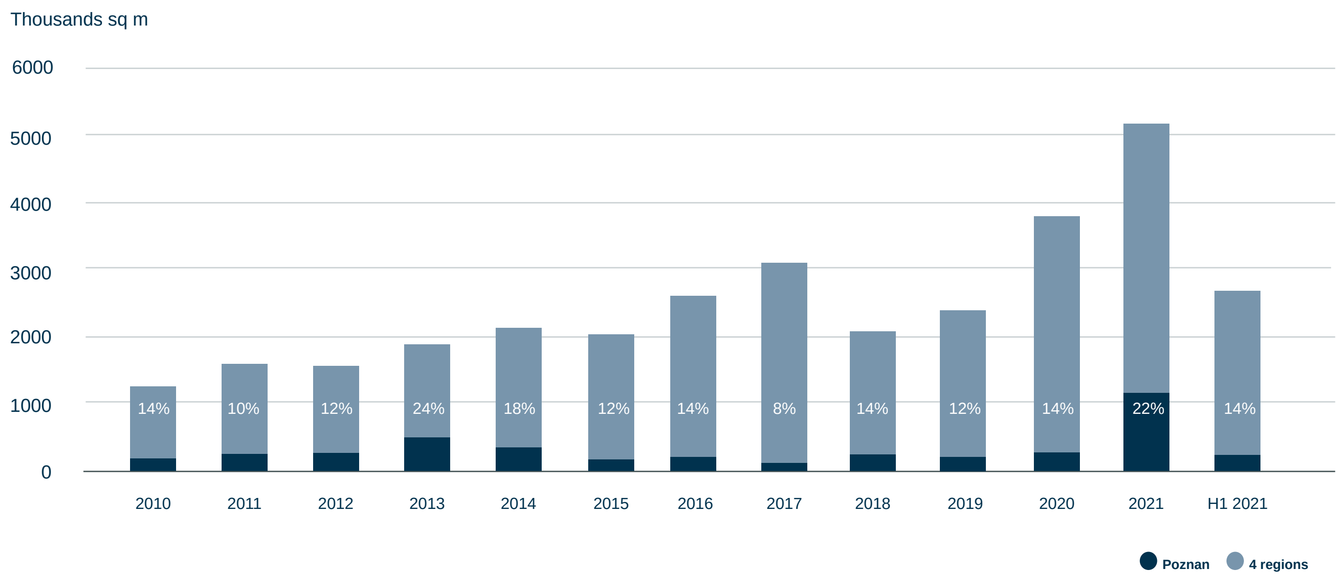
In the first half of 2022 demand in the region of Poznan was 376,200 sq m. On the other hand, in 2021 the region experienced great interest among tenants. Total demand exceeded 1.1 m sq m, which was an increase of 118% compared with the previous year. It was at the same time the highest demand in the history of the market.

Total demand in Poznan



Among the 5 biggest warehouse markets in Poland in the first half of 2022 the region of Poznan accounted for 14% of the demand. However, in 2021 the region of Poznan recorded the highest demand with a share at 22%. Taking into consideration the whole of Poland, Poznan accounted for 10% of the total demand in the first half of 2022 and 15% in the previous, record-breaking year.

Total demand in Poznan in relation to the 5 biggest regions

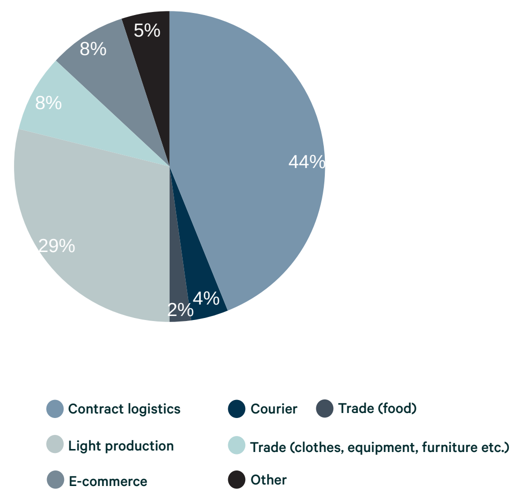


Największe umowy w regionie Poznania 2021-H1 2022

Year	Q	Park	Tenant	Size (s qm)	Type of transaction
2021	1	Panattoni BTS Poznan	DHL	109,000	BTS
2021	2	P3 Poznan	Westwing	82,300	New deal
2022	2	P3 Poznan	PF Logo	53,000	Renewal
2021	1	Segro Logistics Park Poznan Goluski	HSF Home	50,400	New deal
2021	1	Prologis Park Poznan II	Arvato	48,300	New deal
2021	4	Panattoni Park Poznan East Gate	ESA Logistyka	50,000	New deal
2021	4	Panattoni Park Poznan West Gate I	Rohlig Suus	42,000	New deal
2022	2	Panattoni Park Pila	Signify	33,500	New deal
2022	1	P3 Poznan	Van Cargo	25,000	BTS
2022	1	Panattoni Park Poznan XIII	Samsung SDS Global	22,500	New deal

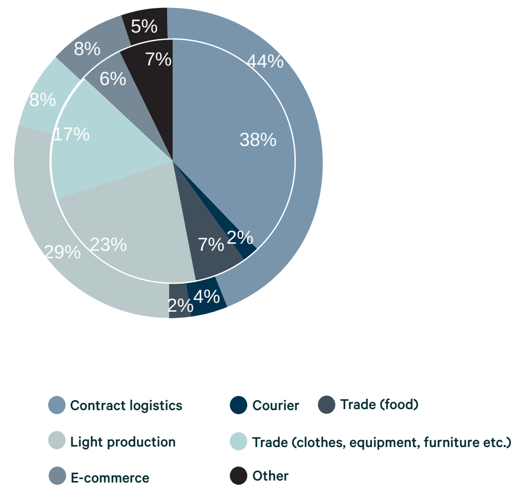
The majority of companies present within the industrial and logistics market in Poznan are companies from the logistics and production sector. The other tenants represent retail sector, both in terms of traditional retail and e-commerce, which has grown in importance lately. On the chart the sectoral division among transactions signed over the last 4 years is presented.

Demand by sector of the tenant in Poznan, 2019-2022



In comparison to all of the 5 biggest industrial and logistics markets, the region of Poznan is characterised by a greater participation of logistics, production and e-commerce companies in total demand.

Demand by tenant sector in Poznan in comparison to the 5 biggest regions, 2019-2022



The biggest tenants by sector in the region of Poznan

- **E-commerce:** Amazon, HSF e-commerce, Westwing, Zalando
- **Logistics/courier:** Arvato, CEVA, Clipper, Dachser, DB Schenker, DHL, DSV Road, ESA Logistyka, Fiege, FM Logistics, GEIS, Green Factory Logistics, Hellmann, InPost, Kuehne+Nagel, Pekaes, Raben, Rhenus, Rohlig Suus, Spedimex
- **FMCG/Supermarkets:** British American Tobacco, Eurocash, Jeronimo Martins, Lidl, Żabka
- **Retail:** Bega Group, Gomez, Guess, H&M
- **Light production:** Flexlink, Hilding Anders, Millano, Newel Rubbermaid, STIHL, Suzohapp, Trio Line, Tuopu
- **Production plants:** Beiersdorf, Bridgestone, Exide Technologies, GlaxoSmithKline, Kompania Piwowarska, MARS, Unilever, Volkswagen, Zaparoh Technologies, GlaxoSmithKline, Kompania Piwowarska, MARS, Unilever, Volkswagen, Zaparoh.

Rents

The warehouse space in Poznan is in majority A-class space. Headline rents in the A-class schemes in this region range from 3.20 to 4.10 EUR/sq m per month, whereas effective rents place usually between 2.60 and 3.20 EUR/sq m per month.

The effective rents are calculated for the whole rental period after consideration of the financial incentives offered to a tenant by a developer (for example months of exemption from rent, covering the cost of space adaptation, relocation).

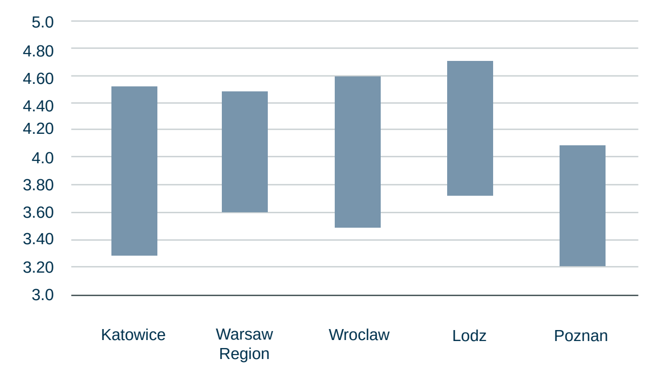
Rents for an office component included in a warehouse range from 9.50 to 12.00 EUR/sq m per month.

The cost of service charges ranges between 1.10 and 1.40 EUR/sq m per month. In comparison to other developed regions headline rents are similar, however the Poznan region offers the lowest rents.

Due to rising costs of building material and the decreasing supply of land for industrial investments, rents will increase in all regions.

Rents in Poznan, Q2 2022	
Headline rents	3.2-4.1 EUR/sq m per month
Effective rents	2.6-3.2 EUR/sq m per month
Office component rent	9.5-12.0 EUR/sq m per month
Service charge	1.1-1.4 EUR/sq m per month

Contractual rents in the largest regions for A-class space, Q2 2022



3.
Summary

Summary

Poznan is characterised by a large amount of modern industrial and logistics space. Its favourable location by the A2 highway is one of the biggest advantages of the region. Poznan is located halfway between Berlin and Warsaw, making it a convenient location for companies which distribute goods on the markets of Western Europe. The city also has a good connection with Wroclaw thanks to the national road S5. Other important factors affecting the attractiveness of the warehouse market in this region are the numerous railway connections and the international airport Poznan-Lawica.

Poznan has a great and one of the best academic backgrounds in terms of the Logistics industry, including the University of Logistics in Poznan and Department of Logistics in the University of Economics. Also, the well-known Research Network Lukasiewicz – the Institute of Logistics and Warehousing, which develops and promotes many innovative solutions in the field of logistics, has its headquarters in Poznan. Moreover, in this region many important events, from the perspective of logistics, happen, for example the Polish Logistics Congress. Many logistics companies such as Raben or Kuehne+Nagel have their own headquarters and offices in Poznan. This means that Poznan is often considered as the Polish logistics basin.

With regard to the five biggest Polish warehouse markets, in terms of the existing supply, Poznan is the smallest one, however it shows an equally big growth potential. Very high demand recorded in 2021 and low vacancy rate caused by it, may suggest that developer activity will still continue. n 2021, Poznan stood out with the highest demand from the 5 biggest warehouse markets and in the first half of 2022 Poznan recorded the lowest vacancy rate.

Summary of the industrial and logistic space market in Poznan – the 1st half of 2022:

3,002,600 s qm
Existing space

28,700 s qm
Vacancy

1.0%
Vacancy rate

417,900 s qm
Space under construction

5,221,400 s qm
Planned total space

10%
Share of the market

Summary of the industrial and logistic space market in Poznan:

- total supply of modern industrial and logistics space in Poznan was 3.0 m sq m in the first half of 2022,
- 352,200 sq m of new industrial and logistics space has been put into use in Poznan
- limited availability of free industrial and logistics space, vacancy rate at the level of 1.0% in the first half of 2022,
- 417,900 sq m under construction, with high activity of developers both in terms of current developments and planning many new projects,
- logistics and light production sectors are the main drivers of development for the market of Greater Poland,
- headline rents range from 3.20 to 4.10 EUR/sq m per month, but the rents will increase.

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