The Strength of Cities

Knight Frank

City attractiveness, office market, HR trends

Q3 2026	The office market sentiment, the investment potential of the city and the labour market.	*knightframk.com.pl/en/research*



Wrocław

Prepared in cooperation with

ARAW Wroclaw Agglomeration Development Agency

Michael Page

Wrocław

City area
293 sq km

Population
893,500
(University of Wroclaw, 2024)

Population of the agglomeration
1.200,000
(Wrocław City Hall, 2025)

Migration balance
(+) 1.4 (06.2024, GUS)

Unemployment rate
2.5%
(07.2026, GUS)

GDP growth
8.5%

GDP per capita
PLN **104,360**
(gross)

Average salary (gross)
PLN **10,187.32**
(in the business sector, 07.2026, GUS)



Investment attractiveness

Rankings

1ST PLACE in fDi's **Mid-Sized European Cities of the Future 2025 - Overall**

1ST PLACE in fDi's **Mid-Sized European Cities of the Future 2025 - Business Friendliness**

1ST PLACE in Poland, No. 2 in Europe, No. 8 in the world in **rising star among technology hubs categoty,** according to the „The next generation of tech ecosystems" report compiled by Dealroom

2ND PLACE in Poland in the ranking by **number of people employed in IT** according to the ABSL report "Business Services Sector in Poland 2024"

2ND PLACE in **„Polish Startups 2024"** complied by the Startup Poland Foundation

2ND PLACE in fDi's **Mid-Sized European Cities of the Future 2025 - FDI Strategy and Economic Potential**

2ND PLACE in **Business Environment Assessment Study (BEAS) 2024**

Investment incentives

"One stop shop" - Investment process support from the Wrocław Agglomeration Development Agency.

Real estate tax exemption in case of investments in a photovoltaic installation, heat pump, recuperator, ground heat exchanger, solar collector.

Accelerator programmes: Concordia Design Accelerator, Accel Boost, Startup Booster for Social Impact.

Real estate tax exemptions in Wrocław.

Lower Silesian Special Economic Zones.

Quality of life

Rankings

1 ST PLACE in fDi's **Mid-Sized European Cities of the Future 2024 - Human Capital and Lifestyle**

Wrocław listed among the 100 cities of the EU mission, **„100 Climate Neutral and Smart Cities by 2030"**

Research and development potential in the Wrocław agglomeration

1) High concentration of R&D companies

The Wrocław agglomeration accounts for nearly 3/4 of all R&D entities in the region, serving as the undisputed center of innovation in Lower Silesia.

Currently, there are over 100 specialized research and development and IT centers operating in the region, as well as the extensive Wrocław Technology Park, which constitutes a critical mass for effective technology transfer.

2) Diversification of R&D areas

Wrocław's research activities are characterized by broad diversification, covering strategic sectors such as MedTech (1st place in the country), AI and Machine Learning, and DeepTech. These innovations are closely correlated with Regional Smart Specializations (RIS3), including advanced chemistry, biotechnology, and Industry 4.0 technologies.

3) Innovative start-ups

Wrocław positions itself as the start-up capital of Poland, accounting for 28% of new registrations nationwide, with a strong focus on B2B models and expansion into the EU Single Market and global markets. The ecosystem includes over 250 dynamic entities that are increasingly building their advantage on patent-protected technologies (DeepTech).

4) The significant role of universities

Wrocław's 30 universities form the foundation of the ecosystem, being the main source of spin-offs and patent innovations. These universities actively implement strategies to integrate scientific research with the real needs of industry and city administration. Another advantage is the unique infrastructure, such as the "LEM" supercomputer and the "ODRA 5" quantum computer.

5) High rating for educational potential

The agglomeration's educational potential is rated highest among medium-sized European cities in the categories of human capital and lifestyle. The STEM-based education system educates over 21,000 students at the Wrocław University of Science and Technology alone, ensuring a steady supply of personnel for high-tech sectors.

6) Highly qualified workforce

Wrocław has a deep pool of technical and business talent, and over 57% of local startup founders have previous entrepreneurial experience, which minimizes the business risk of implementation.

7) Dynamic growth of the R&D sector

The research and development sector is experiencing exceptional growth, as evidenced by a 145% increase in the number of R&D entities over the last decade. Corporate investment in innovation has increased by 74% since 2010, confirming the ongoing trend of modernization of Wrocław's economic base.

Read more about the research and development potential in the Wrocław agglomeration in the latest report.

Bike paths
1,400 km

Green areas
~41% of the total city area

RATING AGENCY | **Moody's** | RATING | **A-**

Fakty i liczby

Number of students
126,000
(ABSL Report 2026)

Number of graduates
24,850

Number of universities
30

Airport - distance to the city centre
10 km

Airport - number of passengers
4,907,527 (2025)

R&D sector - number of research centers and departments
400

BSS sector - number of employed
71,100 (ABSL Report 2026)
including in R&D centres
13,400 (ABSL Report 2026)

Unique startups
283

Active technology communities
+30

Wrocław

Q3 2026



Existing stock
1.35m sq m



Supply under construction
0 sq m



Vacancy rate
21.3% (-0.6 p.p. YoY)



New supply
24,100 sq m (+100% YoY)



Take-up
67,800 sq m (-34.9 YoY)

Standard lease terms in new buildings



Service charge
PLN/sq m/month
16.00-31.00



Rent-free period
1.5 month
for each contract year



Fit-out budget
EUR/sq m
450.00-550.00

Q3 2026 brought a moderate improvement in the Wrocław office market. Despite a lower leasing volume than a year earlier, a growing share of new lease agreements and the continued absence of new supply contributed to a decline in vacancy levels. As Poland's third-largest office market, with a total stock of 1.35 million sq m, Wrocław is entering a period of gradual market rebalancing, supported by exceptionally limited development activity.

SUPPLY

Development activity in the Wrocław office market remains highly constrained. Since the beginning of 2026, the city's modern office stock has increased by 24,000 sq m, bringing to an end a four-quarter period without any new completions. Two buildings were delivered during 2026: Swoboda SPOT (14,600 sq m, Echo Investment) and The Park Wrocław II (9,500 sq m). Despite these completions, the volume of new supply remains at historically low levels. Furthermore, as of the end of Q3 2026, no office projects were under construction in Wrocław.

TAKE-UP

Following the record-high occupier activity recorded in the final quarter of 2025, the first three quarters of 2026 brought a notable slowdown in office demand across the Wrocław market. In Q3 2026, leasing volume exceeded 22,000 sq m (+10.1% q-o-q, -14.7% y-o-y), while cumulative take-up since the beginning of the year reached nearly 68,000 sq m, representing a decline of almost 35% compared with the corresponding period of 2025.

A positive sign remains the growing share of new lease agreements within the take-up structure. In Q3 2026, new leases accounted for 71% of total leasing volume, compared with 57% in the previous quarter. Renewals represented 23%, while the remaining 6% comprised expansion transactions by existing occupiers.

Between January and September 2026, the Business Services Sector (BSS) remained the most active occupier group in the Wrocław office market, accounting for 30% of total take-up. This confirms the sector's continued importance within the city's occupier base. The IT sector ranked second, generating 23% of total leasing activity.

VACANCY RATE

The high share of new lease agreements, combined with the absence of new supply, contributed to a further improvement in market fundamentals. At the end of September 2026, the vacancy rate stood at 21.3%, representing a decrease of 0.6 p.p. y-o-y.

Market prospects remain favourable. With no new office projects scheduled for completion in the coming years, the market is expected to continue absorbing existing vacant space, supporting a gradual decline in vacancy levels over the coming quarters.

RENTS

At the end of September 2026, asking rents in Wrocław remained stable, typically ranging between EUR 11.00 and EUR 16.00 per sq m per month. However, rental levels achieved in premium space within newly delivered office buildings may exceed the upper end of this range. Service charges also remained broadly unchanged, generally ranging from PLN 16.00 to PLN 31.00 per sq m per month.

Office market in Poland

Q3 2026

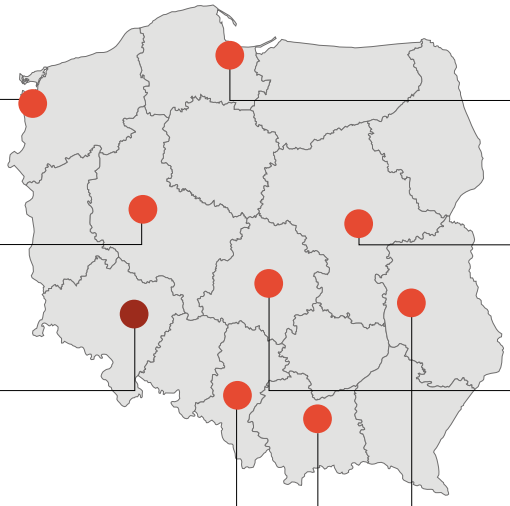
Existing stock **13m** sq m

New supply (Q1-Q3 2026) **124,000** sq m

Take-up (Q1-Q3 2026) **1.1m** sq m

Supply under construction **334,000** sq m

Vacancy rate **12.3%**



SZCZECIN
182,000 sq m
7.4%
EUR 10-14.5

POZNAŃ
678,000 sq m
10.9%
EUR 11.5-16

WROCŁAW
1.35m sq m
21.3%
EUR 11-16

KATOWICE
731,000 sq m
20.9%
EUR 10-15

KRAKOW
1.87m sq m
17.7%
EUR 10-18

TRICITY
1.08m sq m
10.3%
EUR 11-16

WARSAW
6.23m sq m
7.9%
EUR 12-32

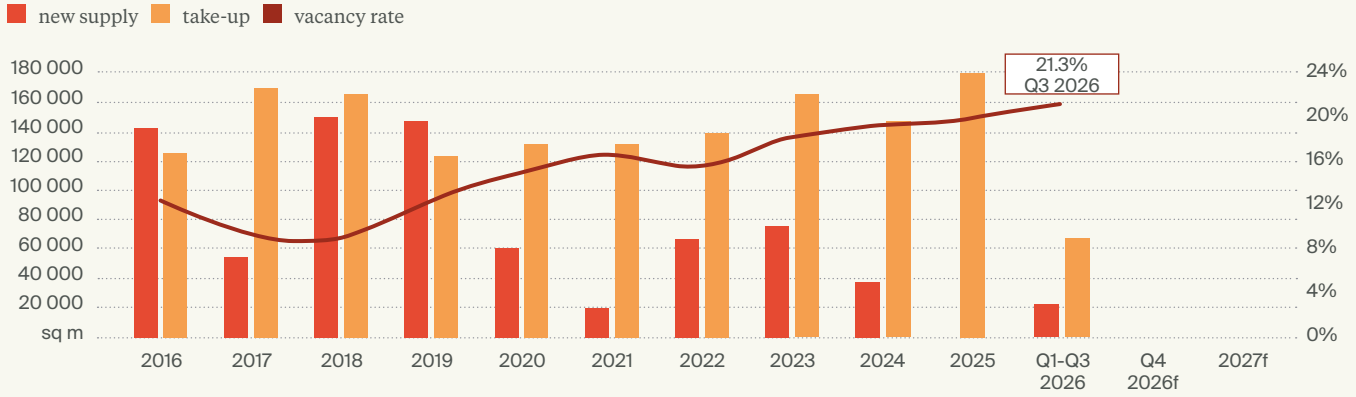
ŁÓDŹ
655,000 sq m
17.6%
EUR 9-15

LUBLIN
225,000 sq m
10.6%
EUR 9-14.5

- office stock - vacancy rate
- asking rents (per sq m per month)

Source: Knight Frank

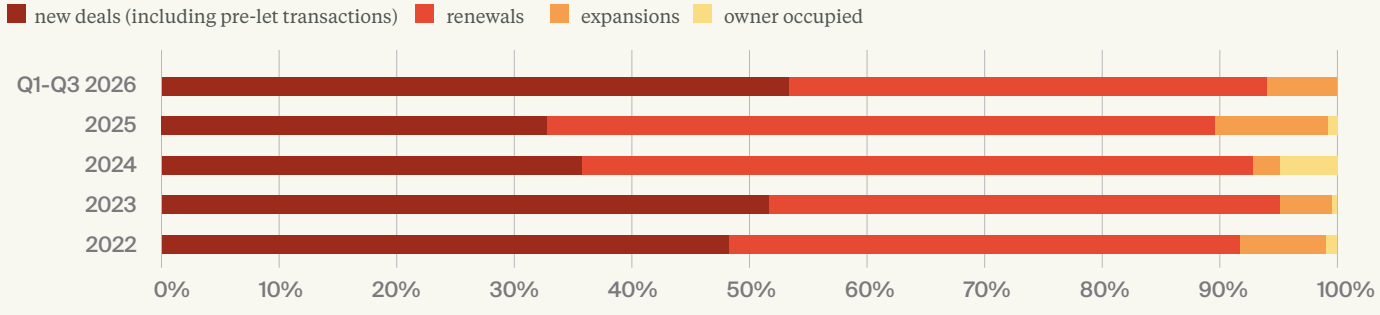
Annual new supply, take-up and vacancy rate in Wrocław



f-forecast based on schemes under construction

Source: Knight Frank

Take-up structure in Wrocław



Source: Knight Frank

Michael Page

How to find good people, and keep them

Employees rarely leave a company overnight. The decision to move on usually takes shape much earlier, as engagement fades, prospects for development dry up, people feel they have no real influence, or they become convinced their skills are not being put to proper use. By the time someone starts looking around for a new role, pay is only one piece of the puzzle.

IT'S NOT ONLY MONEY THAT KEEPS PEOPLE

Salary does, of course, need to be competitive. It is hard to expect loyalty from someone the company pays well below the market rate. A pay rise on its own, however, will not fix problems rooted in management style, organisational culture or a lack of opportunities to grow.

Trouble also arises when we reward good work with ever more responsibilities. For a while the company is happy: it has someone who "handles everything" and can always be relied upon. Sooner or later, though, that person may simply be overloaded and close to burnout.

"A pay rise on its own, however, will not fix problems rooted in management style, organisational culture or a lack of opportunities to grow."

That is why hiring and retaining good people is best treated as a marathon rather than a sprint. Pay matters, but so do the quality of the line manager, autonomy, a sense of influence, room to develop, meaningful work and fair treatment.

LOOK FOR POTENTIAL, NOT PERFECTION

The second challenge lies in how we recruit. Companies still too often look for someone who ticks every box in the job advert. Yet according to the Talent Trends 2026 report, as many as 41% of recruiters struggle to find candidates with the skills they need. In that situation, it makes sense to look first and foremost at potential.

Sport offers a good illustration. The best football clubs build their edge not only by signing star players but also by spotting talent and developing it within their own system. Business works in much the same way. We do not always need someone who can do every part of the job from day one.





"As many as 41% of recruiters struggle to find candidates with the skills they need. "

Sometimes a candidate who learns quickly and works well with the team is worth more. Specific processes are far easier to teach than a sense of responsibility or a way of thinking. This approach does, however, take courage on the employer's part.

THE BEST SPECIALIST SHOULD NOT ALWAYS BECOME A MANAGER

Many companies still follow a simple pattern: if someone is an outstanding specialist, the natural next step is a management role. Yet not everyone wants to manage people, and not everyone is suited to it. That is why it pays to build two parallel career paths, one for experts and one for managers.

Promotion should not be merely a reward for good results. It should be the next stage of a career, matched to the individual's ambitions, skills and aptitudes.

A GOOD LEADER KNOWS WHEN TO HAND OVER THE REINS

A similar problem crops up in fast-growing companies when the owner, often without realising it, starts holding the business back. In the early days they run the company with a handful of people and know every process inside out. As the organisation grows to dozens or even hundreds of employees, however, the management style often stays exactly the same. The owner still wants to sign off most decisions personally.

I would measure a leader's maturity not by the number of decisions they take themselves, but by the number the organisation can take without them. That requires trust and a willingness to accept mistakes. If we give someone the "number two" role but do not let them make significant decisions, we are not preparing a successor. We are simply teaching them to ask the boss for permission.

"I would measure a leader's maturity not by the number of decisions they take themselves, but by the number the organisation can take without them."

An owner who wants to build a company that does not depend on them must also accept one more thing: it is worth hiring people who are better than they are in particular areas. That is not a threat but a precondition for growth.

Trusting the team and delegating responsibility make it possible to build an organisation that is strong not only because of its owner, but also because of the people they have entrusted with responsibility.

Author: Radosław Szafrański, Managing Director at Michael Page

Michael Page

Is Poland still an attractive investment destination? Talent and geopolitics are taking precedence over labour costs

Poland remains one of Europe's most attractive investment destinations, although the criteria companies use to assess the country are changing significantly. Over the past 15 years or so, Poland has been one of the biggest beneficiaries of globalisation, attracting investors with competitive labour costs, workforce availability and its strategic position between Western Europe and Central and Eastern European markets. Today, the depth and quality of the talent pool, alongside the ability to operate securely in an uncertain geopolitical environment, are becoming increasingly important.

Interest in the Polish market remains strong, as reflected in the volume of enquiries Michael Page receives about salary benchmarks, the availability of skilled professionals, location comparisons and cost estimates for new ventures. However, this interest is not translating into a proportionate number of investments moving forward. Based on our observations, only 10–20% of projects currently being assessed and prepared by companies and investment advisers are moving into implementation.

GEOPOLITICS IS SHAPING THE PACE AND DIRECTION OF INVESTMENT

Uncertainty is the main reason behind investors' cautious approach. Decisions that would have taken just a few months several years ago are now sometimes being postponed for several quarters. Management boards are assessing regional stability, the potential consequences of armed conflicts, the security of critical infrastructure and energy supplies, and supply chain resilience. These considerations have become an important addition to traditional investment criteria, such as operating costs, land availability and tax incentives. Many projects are not being cancelled but put on hold until companies can assess the conditions for proceeding with greater confidence. A decline in the number of investments going ahead does not therefore necessarily indicate that Poland is losing its competitive position.

At the same time, geopolitical developments are encouraging companies to bring operations closer to their end markets. Despite its proximity to the war in Ukraine, Poland continues to benefit from the nearshoring trend. For some organisations, establishing operations in Central Europe offers an opportunity to shorten supply chains and reduce dependence on distant Asian markets. Poland's geographical location therefore remains a major advantage, although it is increasingly being viewed through the lens of security and business continuity.

A STRONG INDUSTRIAL BASE SUPPORTS THE GROWTH OF EMERGING TECHNOLOGIES

The nature of projects being considered by investors is also changing. While the automotive, household appliance and traditional manufacturing industries remain important, sectors linked to security, energy and advanced technologies are gaining prominence.

> "Based on our observations, only 10–20% of projects currently being assessed and prepared by companies and investment advisers are moving into implementation."

We are increasingly involved in discussions concerning defence electronics, energy storage, batteries and energy-related components, automation and power electronics. Investor interest also extends to cybersecurity, space technologies, unmanned systems and communications technologies.





Dual-use technologies, which have both civilian and military applications, are becoming particularly important. Rising defence budgets across Europe are driving demand for engineers, research and development specialists, and experts in electronics, automation and cybersecurity. Poland's established industrial base and experienced engineering workforce provide a strong foundation for such projects. Skills developed in traditional manufacturing industries can be applied to emerging sectors, broadening the range of investments Poland is well placed to attract.

A MATURE BUSINESS SERVICES SECTOR GIVES POLAND A COMPETITIVE EDGE

The changing criteria for investment location decisions are also evident in the business services and IT sectors. For years, rising salaries have been cited as a factor that could undermine Poland's attractiveness to shared services centres, global business services operations and technology companies. However, employment costs are also increasing in competing markets, including Romania, Bulgaria, Hungary, Serbia and Portugal, with double-digit wage growth forecast in some of these countries in 2026. As a result, the availability of a sufficiently large pool of qualified specialists is becoming an increasingly decisive factor in companies' ability to establish and scale their operations.

Poland benefits from the long-standing presence of international organisations that have established SSC, BPO and GBS centres, as well as technology hubs, across the country. This has helped develop a strong pool of managers and specialists with experience in business transformation, process migration, ERP implementations, artificial intelligence projects and the development of global operating structures. Investors can therefore recruit professionals who are already equipped to manage complex processes in an international environment.

This advantage is further reinforced by the size of Poland's labour market, foreign language proficiency and a well-developed network of technical universities. Together, these assets represent a competitive strength built up over many years. Replicating comparable conditions in other locations takes time, and lower employment costs alone cannot provide the same breadth of skills and experience.

SPECIALIST EXPERTISE AND STRATEGIC FUNCTIONS ARE BECOMING MORE IMPORTANT

As Poland's market matures, the structure of employment is also evolving. In the coming years, some simpler, repetitive processes may move to lower-cost locations or become automated, including through the use of AI. This will require employees to develop and adapt their skills, while increasing the importance of more advanced functions.

> "Poland is gradually moving beyond delivering relocated business processes towards developing specialist expertise and taking greater responsibility for international operations."

Already, a growing number of our conversations with investors focus on competence centres, data analytics, artificial intelligence, cybersecurity, systems architecture, financial and digital transformation, product management and global strategic functions. Poland is gradually moving beyond delivering relocated business processes towards developing specialist expertise and taking greater responsibility for international operations. This shift offers a way to sustain the country's investment appeal through the value created by its workforce, even as salaries continue to rise.

Poland's future as an investment destination will therefore depend largely on its ability to continue developing the skills businesses need. Special Economic Zones, tax incentives and geographical location remain important factors supporting investment, but Poland's greatest asset is its skilled workforce. The knowledge and experience of its people are what enable the country to attract higher-value-added projects.

The biggest uncertainty remains the pace at which these projects will be implemented. Poland has strong foundations for continued growth, but realising this potential will also depend on companies' willingness to make long-term investment commitments in an evolving geopolitical environment.

Commentary by: Krzysztof Tuszyński, Head of Business Development Poland & Head of Katowice Office at Michael Page Poland

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As one of the largest and most experienced research teams operating across Polish commercial real estate markets, Knight Frank Poland provides strategic advice, forecasting and consultancy services to a wide range of commercial clients including developers, investment funds, financial and corporate institutions as well as private individuals. We offer:

- strategic consulting, independent forecasts and analysis adapted to clients' specific requirements,
- market reports and analysis available to the public,
- 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, Lublin, Szczecin) and PRS sector in Poland. Long-term presence in major local markets has allowed our research team to build in-depth expertise of socio-economic factors affecting real estate market in Poland.

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The Wroclaw Agglomeration Development Agency is a company whose goal is to attract foreign investors, and thus create new jobs and increase economic region. The company also conducts extensive information and promotion activities for residents and implements projects supporting development and cooperation in the agglomeration.

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