

# INTRODUCTION

This is the first instalment in the series "Trends Radar" to explore the impacts of the Covid-19 pandemic on the Polish commercial real estate market.

In this first edition we focus on the summary of the first quarter of 2020 in each real estate sector and early market indications of anticipated pandemic-related changes.

As the situation is very fluid, we are planning to publish monthly report updates to investigate key sectoral trends, to track changes and bring to you the latest market developments and forecasts for economic growth and each real estate sector.

I trust you find our publication informative.

If you have any queries, please feel free to contact us.

**KATARZYNA LIPKA**

ASSOCIATE DIRECTOR  
CONSULTING & RESEARCH MANAGER

# MACROECONOMIC SITUATION

**PROVIDED THE  
CONTAINMENT  
MEASURES ARE  
SUCCESSFULLY  
LIFTED FROM MAY**  
*economic activity*  
IS EXPECTED  
TO REBOUND  
IN H2 2020

# Economic FORECAST

AS OF 15 APRIL 2020

Source: Oxford Economics

## Q2 2020 FORECAST (Q/Q CHANGE)

**-6%**

GDP

**-7%**

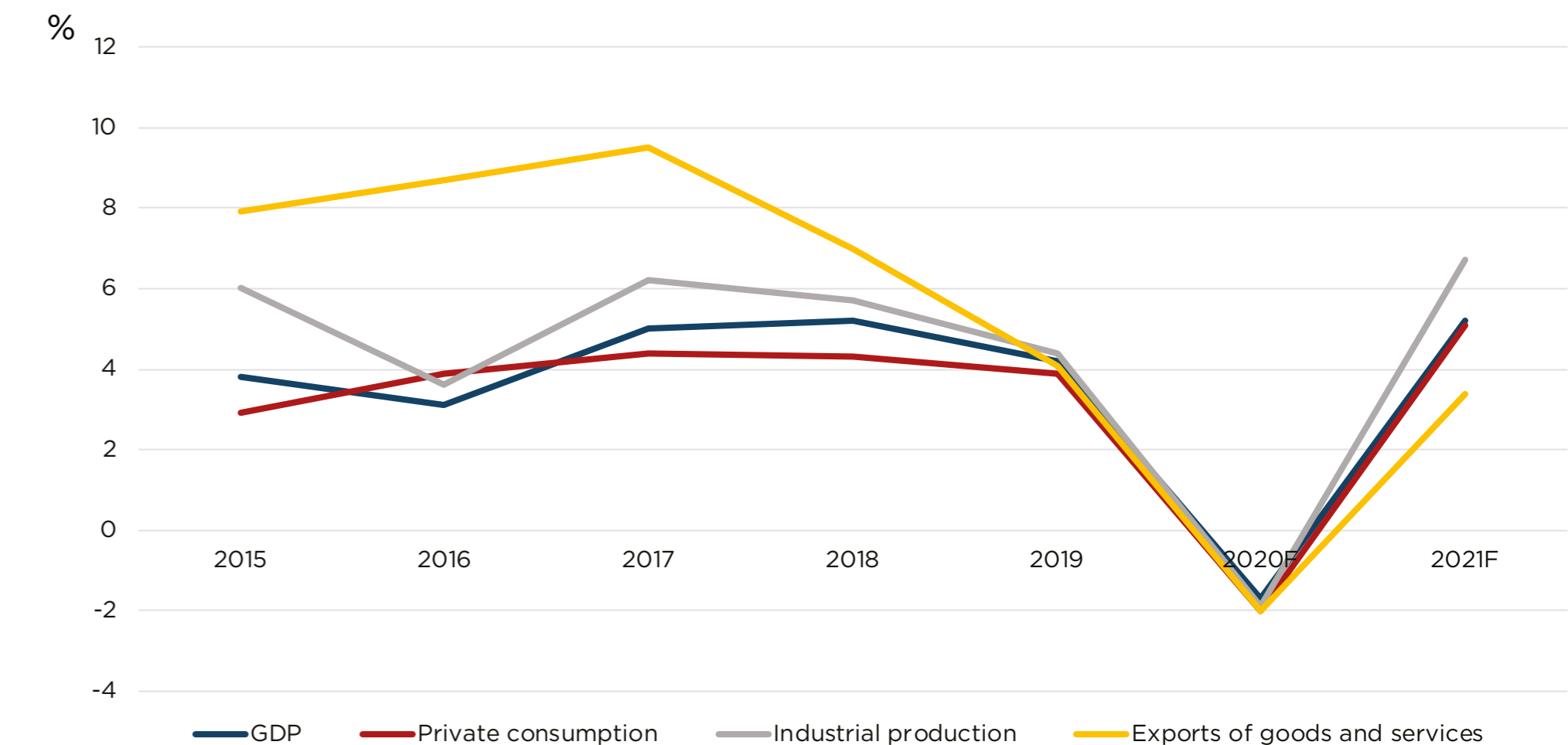
PRIVATE CONSUMPTION

**-7%**

INDUSTRIAL PRODUCTION

- Before the coronavirus outbreak, Poland was among the fastest-growing economies in the European Union (EU). Since the fall of communism, our country has not experienced a recession and since 1995 GDP has grown at an average of 4% a year.
- Due to the coronavirus outbreak and full domestic lockdown, introduced by the Polish government in March, our economy is expected to enter into recession in Q2 2020 with the GDP seen falling around 6% q/q in Q2. Provided the containment measures are successively lifted from May, economic activity is expected to rebound in H2 and 2021 (expected 2021 GDP growth by 5.2%).
- Due to the lockdown, consumer spending is expected to fall sharply in Q2 (7% q/q drop in Q2). However, as it will be rather deferred than lost completely, once the containment measures are lifted Oxford Economics forecasts a strong bounce back in consumption.
- There will be direct hit to industrial production and exports as automakers shut production. The q/q fall of industrial production is expected at 7%.
- Despite efforts to cushion the effects, the labour market is set to suffer. Firms forced to close due to containment measures will cut salaries and reduce employment. One of the key downside risks is that job losses become permanent, threatening the recovery in H2.

## MAIN MACROECONOMIC INDICATORS (Y/Y CHANGE)



Source: Oxford Economics

# OFFICES

**THE STRONG  
FUNDAMENTALS**

*of the*  
***OFFICE SECTOR***

IN POLAND SHOULD  
ENABLE THE MARKET  
TO REGAIN THE BALANCE  
RELATIVELY QUICKLY  
AFTER A SLOWDOWN

Q1 2020  
**SUMMARY****11.26 M SQM****TOTAL OFFICE STOCK**  
IN POLAND\*  
(of which 5,59 M sqm in Warsaw)**1.75 M SQM****TOTAL SPACE**  
UNDER CONSTRUCTION  
(of which 760,000 sqm in Warsaw)**86,500 SQM****NEW SUPPLY**  
Q1 2020  
(92% of which in regional markets)**359,000 SQM** (+33.5%)\*\***OFFICE TAKE-UP**  
Q1 2020**7.5%** (-1.6 PP)\*\***VACANCY RATE**  
WARSAW**9.4%** (+0.0%)\*\***VACANCY RATE**  
REGIONAL MARKETS**24.00 EUR/SQM/  
MONTH****PRIME HEADLINE RENTS**  
WARSAW

The current situation had a relatively limited impact on the key market metrics in Q1 2020 as the Polish government introduced the first restrictions to contain the spread of the Covid-19 pandemic in mid-March.

Office supply was weaker in Q1 2020 than in the same period in 2019 irrespectively of the ongoing pandemic and resulted from the distribution of office space scheduled for delivery in 2020.

In Q1 2020, total office take-up amounted to almost 360,000 sqm, representing a 33.5% increase year-on-year. Occupier activity in Warsaw totalled 139,000 sqm and was down 0.5% on Q1 2019, but in regional cities it stood at 220,000 sqm - up by 70%.

Warsaw's vacancy rate continued its downward trend - it stood at 7.5% (down by 1.6 pp year-on-year). Vacancy rates in regional cities remained flat compared to the same period in 2019.

Prime office rents remained unchanged compared to the previous quarter.

There is currently more than 1.75 million sqm of office space under construction in nine office markets; of that total, 44% is underway in Warsaw.

There is currently no legislation limiting construction works in Poland. Nevertheless, due to protracted administrative procedures, limited labour availability, potential disruptions to supply chains and rising construction costs, completion of some office projects in advanced stages is likely to be delayed in the near term.

\* Warsaw and eight regional markets - Kraków, Wrocław, Tricity, Katowice, Łódź, Poznań, Lublin and Szczecin

\*\* % change y-o-y

# COVID-19 PANDEMIC & OFFICE MARKET FACTS

- Office buildings in Poland remain open. However, due to the government regulations regarding keeping a distance between workstations of at least one and a half metres, fewer people are allowed to work in offices. As a result, and taking into account additional safety measures adopted by individual companies, a large part of office-based employees in Poland are currently working remotely.
- There is no legislation limiting construction works in Poland and most office construction sites continue. Nonetheless, due to the permitting processes slowdown and other pandemic-related obstacles, some office projects planned for completion over the next few months are likely to be slightly postponed.
- Key statistics for the Warsaw office market in Q1 2020 are positive as the total leasing activity reached a level similar to that in Q1 2019, which pushed the capital's vacancy rate down further.
- The ongoing activity on the office market is, however, being affected by the pandemic as a substantial number of tenants have adopted the wait and see strategy and some have already put their relocation decisions on hold.
- We are also seeing a growing number of office occupiers asking landlords for rental payment reductions or freezes.
- However, as the Polish government has not declared a state of emergency which could allow market players to take advantage of force majeure clauses, the most optimal way for both landlords and tenants is mediation and agreeing solutions that would satisfy both parties.
- Coworking operators are also suffering from a weaker demand. Cushman & Wakefield's experts believe that they may, however, benefit from a rebound when the pandemic is over as a majority of companies will most probably adapt and extend their strategies regarding space utilization by flexible office spaces and remote work.

*Forecast*  
**IMPACT  
OF COVID-19  
PANDEMIC**  
ON THE OFFICE  
MARKET

#### IMPACT ON SUPPLY SIDE

- In the short term, projects may face delays due to such factors as:
  - protracted administrative procedures,
  - limited availability of construction workers, and
  - potential disruptions to supply chains at construction sites.
- In the long term, the suspension of projects planned for 2022-2023 is likely to result in another supply gap.
- Some projects in the pipeline may change hands due to financing constraints.

#### KEY FACTORS FOR OCCUPIERS

- Organizations have to prepare to new reality of workplace and keeping a 1.5-meter distance between co-workers.
- Risk management measures may increase sqm standard per workplace.
- More employees will be working from home which might affect number of workplaces in offices.
- Coworking is likely to benefit after open-up due to extra need for flexible staffing levels.
- Cost control will be crucial factor for occupiers adapting their accommodation strategies.

#### IMPACT ON DEMAND SIDE

- Large part of lease processes still go ahead, however some tenants adapt a “wait and see” approach and put their decisions on hold.
- High level of pre-let agreements on the largest markets will minimize risk of substantial growth of vacancy rates.
- Tenants will focus mostly on renewals of their current lease agreement than relocations.
- Headline rents should remain on a relatively stable level, however there will be growing pressure of occupiers on increasing of incentives packages.

#### KEY FACTORS FOR PROPERTY OWNERS

- Primary focus on keeping office buildings safe and operational.
- Quality of virus-proof building technology and data will co-determine lettable.
- Risk management for epidemics might become a new element of lease agreements.
- Lack of users in office buildings allow to do some scheduled maintenance services in working hours which would normally bother tenants.

# Post COVID-19 WORKPLACE

A SIX FEET OFFICE

**THE 6 FEET OFFICE IS OUR CONCEPTUAL IDEA TO HELP OUR CLIENTS PREPARE FOR THEIR EMPLOYEES TO RETURN TO THE OFFICE.**

- Certain phrases surrounding the COVID-19 pandemic have sparked global conversations, the most notable being social distancing – the entire world now understands the importance of staying six feet away. As we begin visualizing life after COVID-19, we must begin to think about the new normal and how we will adjust.
- “The 6 feet rule” isn’t going away any time soon and we at Cushman & Wakefield understand how critical it is to normalize this guideline into everyday life. Eventually, we will all return to work, but we must not forget this golden rule.



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AND DOWNLOAD A GUIDE**



**THE *6 Feet Office* CONCEPT CONSISTS OF SIX ELEMENTS:**

**6 Feet Quick Scan:**

A concise but thorough analysis of the current working environment in the field of virus safety and any other opportunities for improvement.

**6 Feet Rules:**

A set of simple and clear workable agreements and rules of conduct that put the safety of everyone first.

**6 Feet Routing:**

A visually displayed and unique routing for each office, making traffic flows completely safe.

**6 Feet Workstation:**

An adapted and fully equipped workplace at which the user can work safely.

**6 Feet Facility:**

A trained employee who advises on and operationally ensures an optimally functioning and safe facility environment.

**6 Feet Certificate:**

A certificate stating that measures have been taken to implement a virus-safe working environment.



**01**  
BE WELCOME AT WORK, BUT ALWAYS ACT RESPONSIBLY



**02**  
STICK TO THE RULES, FOLLOW THE SIGNS



**03**  
STAY SAFE AT 6 FEET FROM EACH OTHER



**04**  
WALK THE OFFICE CLOCKWISE, ALWAYS AND EVERYWHERE



**05**  
ENTER AND LEAVE MEETING ROOMS AS INDICATED



**06**  
REPLACE YOUR DESKPAD DAILY AND LEAVE A CLEAN DESK



*Expert*  
**OPINION**

”

*The ongoing coronavirus pandemic has forced many companies to test and implement the remote working model. This solution proved successful in many situations and some organisations are likely to allow employees to work from home on some days of the week when they return to normalcy. However, the current lockdown has made everyone more aware of the fact that an office is an extremely important tool in maintaining social interactions, as it not only fosters collaboration and productivity, but it also has a positive impact on the quality of life of employees.*

*In the coming months, tenants will face multiple challenges of work organisation and will need to adapt a new approach to occupied office spaces. Epidemic safety guidelines and legislation will force employers to look for new solutions to reduce employee density in offices. In addition, some tenants will consider office downsizing for financial reasons.*

*While challenges are plentiful, the situation is very fluid. I believe that once the Polish government sets out plans to ease restrictions, we will have the foresight to plan ahead.”*



**Krzysztof Misiak** MRICS

International Partner,  
Head of Poland  
Cushman & Wakefield

# RETAIL

*Retail*  
**IS ONE OF THE MOST  
PANDEMIC-AFFECTED  
SECTORS OF THE  
ECONOMY, HOWEVER,  
IT WILL BE ONE OF THE  
FIRST TO STIMULATE  
THE ECONOMIC  
RECOVERY ONCE  
THE RESTRICTIONS  
ARE LIFTED**

# Current SITUATION

Q1 2020

## 72,000 SQM

**NEW SUPPLY**  
Q1 2020

## 15 M SQM

**TOTAL STOCK**

## 500,000 SQM

**UNDER CONSTRUCTION**

SCHEDULED TO OPEN  
BY THE END OF 2020/2021  
(possible rescheduling, delays  
or cancelations of some projects)

## 3.9%

**VACANCY RATE**  
(AS OF Q4 2019)

Despite the Covid-19 pandemic outbreak, Poland's retail stock expanded by more than 72,000 sqm across all retail formats in Q1 2020, with new openings reported even after the introduction of limitations on shopping centres. New supply comprised seven new schemes: two shopping centres (Galeria Chełm and Galeria Kupiecka in Otwock), two retail parks (Stop Shop in Siedlce and Vendo Park in Jawor), and three standalone retail warehouses (Castorama and Agata Meble in Włocławek, and Selgros in Siedlce). Due to the trading restrictions imposed on shopping centres sized more than 2,000 sqm on 14 March, new retail schemes were only partially opened. As a result, only some stores such as food stores, drugstores, pharmacies and drycleaners were permitted to operate on the opening day of Stop Shop Siedlce, Galeria Chełm, and Galeria Kupiecka in Otwock.

### NEW RETAIL OPENINGS IN Q1 2020

SCHEME / CITY	FORMAT	DEVELOPER	RETAIL FLOORSPACE (SQM)
Galeria Chełm Chełm	Shopping centre	Acteum Group	17,500
Stop Shop Siedlce	Retail park	Immofinanz	14,100
Agata Meble Włocławek	Standalone retail warehouse	Agata Meble	10,500
Galeria Kupiecka Otwock	Shopping centre	Wot Invest	10,000
Castorama Włocławek	Standalone retail warehouse	Kingfisher	7,300
Vendo Park Jawor	Retail park	TREI Real Estate	6,700
Selgros Siedlce	Standalone retail warehouse	Selgros	6,000

Source: Cushman & Wakefield

At the end of Q1 2020, there was more than 500,000 sqm of retail space under construction, most of which was scheduled for completion by the end of this year. The uncertainty caused by the Covid-19 pandemic will force developers to revise their plans. Some new openings will be postponed and some projects - especially early stage projects - may be cancelled.

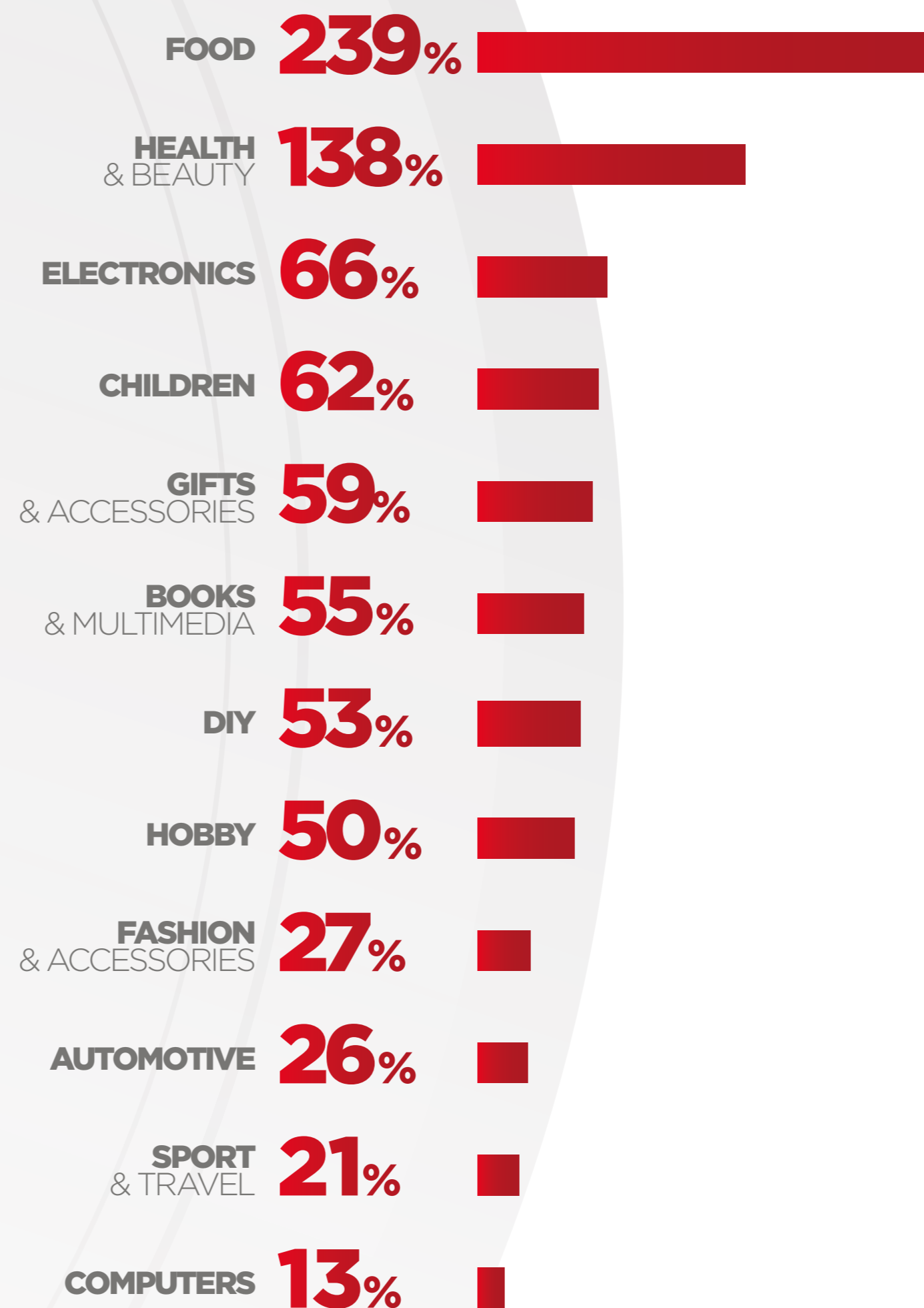
# COVID-19 PANDEMIC & RETAIL MARKET IN POLAND

- Since 14 March operation of shopping centres sized above 2,000 sqm has been limited to stores only stores selling essentials or providing essential services, including grocery stores, pharmacies, drugstores and laundrettes. Restaurants are only allowed to offer delivery or take-away meals. Standalone DIY markets remain open however not on weekends.
- According to 'anti-crisis shield' lease agreements in shopping centres are temporarily suspended for stores that are not allowed to operate provided that landlord receives a binding offer from tenant to extend the lease agreement for the duration of the ban extended by 6 months. Additionally, Sunday trade ban is partially lifted, allowing stores to be stocked on Sundays.
- Since 20 April, the first stage of easing of restrictions on the public life has taken place. All shops that are allowed to operate and are up to 100 sqm are able to serve four customers per till, while larger stores are allowed to have one client per 15 sqm.

- Restrictions on shopping centres are going to be lifted in the third stage, however, the timing would depend on the progress of the pandemic.
- Shopping centre landlords, tenants and the entire retail sector suffer major losses due to the COVID-19 pandemic. The changes in retail will depend on the length of the pandemic and national lockdown.
- As customers avoid stores and crowded public places, retailers being able to complete online orders through home delivery are considered as beneficiaries.
- Both tenants and landlords are taking the initiative to incorporate their interests in the new regulations. Cooperation and partnership of both parties is essential to confront the current challenges.

Forecast  
**IMPACT  
OF COVID-19  
PANDEMIC**  
ON THE RETAIL  
MARKET

**AN INCREASE IN ONLINE ORDERS**  
(1-15 MARCH 2020 VS 1-15 MARCH 2019)



Source: shoper.pl

**THE CURRENT UNCERTAINTY IS LIKELY TO IMPACT SHOPPING BEHAVIOUR**

- People will shop more carefully, with the price being an increasingly important factor
- 46% of Polish people are intending to shop more when the pandemic is over, but as much as 58% expect to be worse off ("Post-Pandemic World", Streetcom)

**REVIEW OF INVESTMENT PLANS AND GROWTH STRATEGIES BY RETAILERS AND SHOPPING CENTRE TENANTS**

- The "wait and see" strategy
- More caution in execution of long-term leases
- Renegotiations of lease conditions
- Weaker demand for retail space
- Increased availability of space in some shopping centres

**FASTER GROWTH OF E-COMMERCE AND NEW TECHNOLOGIES IMPROVING THE SHOPPING EXPERIENCE**

- Online stores and telephone shopping services or click & collect: Żabka, Biedronka, Chata Polska, Kaufland, Frac, Stokrotka, Delikatesy Centrum, Topaz, SPAR, Tesco, Jean Louis David, and Ziaja
- Double- or triple-digit growth in online orders across shopping categories
- New technologies such as Carrefour's tool that allows to track footfall in the retailer's stores
- More promotional campaigns in social media

**SHOPPING CENTRE MANAGERS AND LANDLORDS TAKING ACTION TO ENSURE CONSUMER SAFETY WHEN RESTRICTIONS ARE EASED**

- Shopping centres will have to adapt to the existing restrictions to ensure a safe shopping experience
- Marketing to stimulate consumption

Expert  
**OPINION**

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*It goes without saying that Covid-19 will significantly change the global commercial real estate industry with strong emphasis on retail and placemaking. The pandemic's impact will be felt for months, if not years and the focus shall be now on the solutions and measures that can be taken to find the way back to normality and long-term success.*

*Having a proper plan and platform at hand in the times of significant uncertainty and fast-changing law is even more important than prior to pandemic state being introduced.*

*The spectrum of activities related with the phase of reopening of shopping centers and post-restrictions period is very wide and concerns:*

- *Health and safety solutions applied in the mall*
- *Reorganization of the mall functionalities and navigation routes to ensure social distancing*
- *Transparent and up to date communication with the tenants, customers and other stakeholders*
- *Careful monitoring and following the guidelines of proper authorities like WHO, Ministry of Health, Chief Sanitary Inspectorate*
- *Being updated with the new regulations and making sure they are comprehended and followed by the stakeholders*
- *Creation and implementation of procedures and policies related with prevention and response to COVID-19 occurrence in the mall, including business continuity plans*
- *Cooperation between landlords and tenants aimed at achieving sustainable relation and securing turnover*
- *Revision of OPEX, CAPEX and MAREX budgets*
- *Behavioral analysis of changing shopping habits and adaptation to new trends*
- *PR and marketing*



**Joanna Kłusek**

Partner, Head of Retail,  
Asset Services Poland,  
Cushman & Wakefield

# INDUSTRIAL

*Logistics*  
**WAS THE LEAST  
COVID-19  
PANDEMIC-AFFECTED  
SECTOR IN Q1 2020.**  
NEARLY 1 MILLION SQM  
OF WAREHOUSE SPACE  
WAS LEASED BETWEEN  
JANUARY AND MARCH.  
THIS IS THE SECOND-  
HIGHEST TAKE-UP NOTED  
IN THE FIRST QUARTER  
OF A YEAR.

# Current SITUATION

Q1 2020

## 0.4 M SQM

**NEW SUPPLY**  
Q1 2020

## 19 M SQM

**TOTAL STOCK**

## 7%

**VACANCY RATE**

## 2.2 M SQM

**UNDER CONSTRUCTION**

## 960,000 SQM

**TOTAL TAKE-UP**

According to the latest warehouse market metrics, Q1 2020 ended with good results both on the demand and supply side. The total leasing transaction volume reached almost 1 million sqm, the second-highest result noted in the history of the Polish warehouse market and approx. 5% ahead of Q1 2019. The preliminary data also reveals that the vacancy rate remains stable and stood at 7% as of March 2020. Approximately 400,000 sqm of newly-built warehouse space was delivered to the market; of that total, 45% was completed in the Wrocław region. Another 2.1 million sqm of warehouse space remains under construction.

### NEW WAREHOUSE COMPLETIONS IN Q1 2020

PARK	ZONE	SUBZONE	AREA (SQM)
P3 Mszczonów	Warsaw Suburbs	Mszczonów	58,474
Hillwood Wrocław Wschód II	Wrocław	Wrocław	52,400
Panattoni Park Bydgoszcz II	Bydgoszcz & Toruń	Bydgoszcz	36,540
Panattoni Park Żory	Upper Silesia	Żory	36,500
Panattoni Park Poznań IV	Poznań	Komorniki	26,885
Panattoni Park Wrocław XI	Wrocław	Nowa Wieś Wrocławska	26,400

Source: Cushman & Wakefield

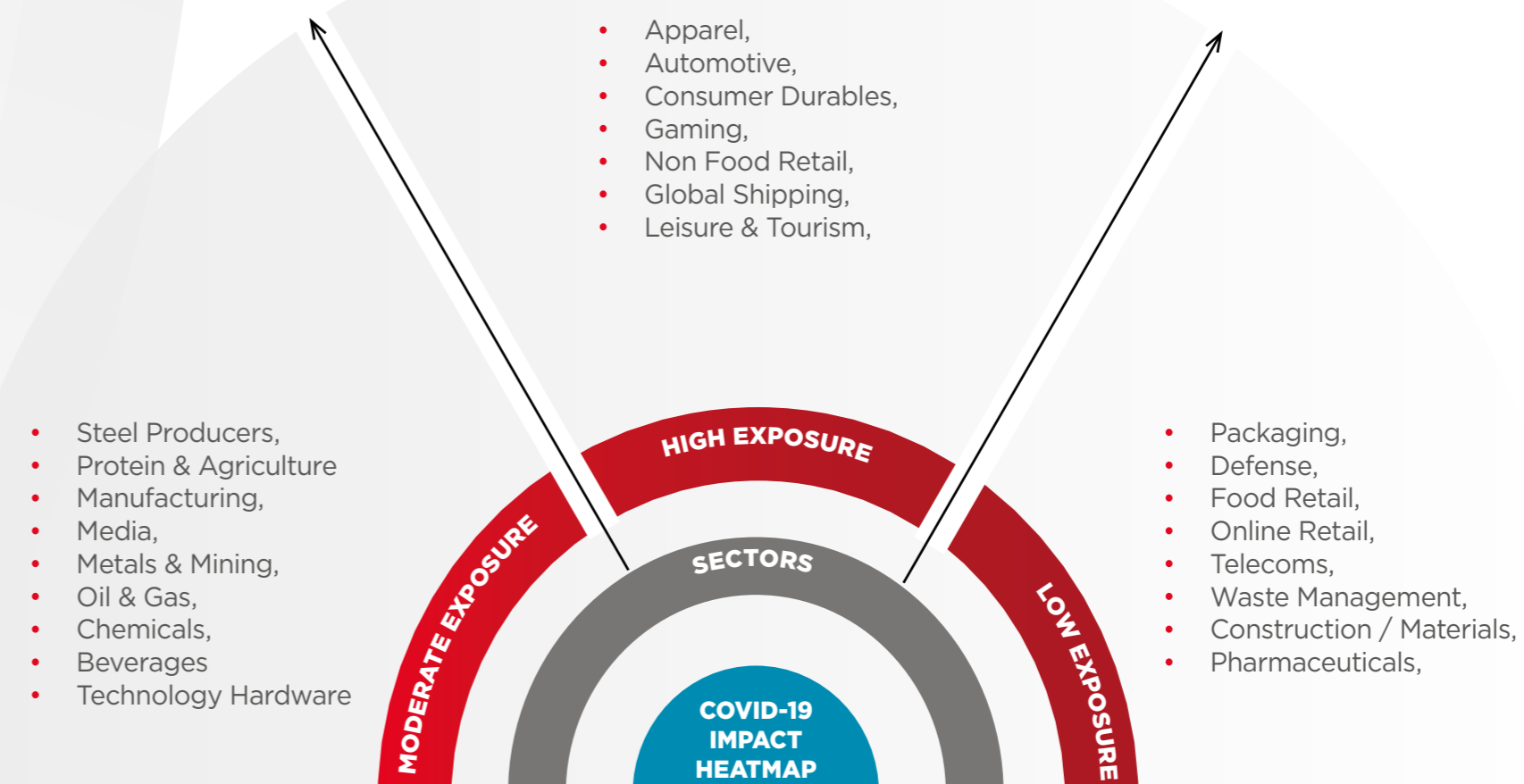


# COVID-19 AND WAREHOUSE MARKET IN POLAND FACTS

- According to the latest warehouse market metrics, Q1 2020 ended with good results both on the demand and supply side, but the first signs of a decrease in activity were reported. E-commerce tenants are experiencing short-term growth, but many other industries are already beginning to be affected by the overall slowdown, and some tenants are negotiating rent reductions. Amid the soaring e-commerce volumes, demand for both big boxes and city logistics space will remain unchanged in the medium term.
- Adjustment processes dominate on the industrial market in Poland – securing the health of employees and adjusting the level of inventories in order to secure the liquidity of supplies. Companies from the e-commerce, food, FMCG, pharmaceutical, hygienic or cleaning products sectors are looking for solutions to meet the sudden increase in consumer demand, especially for essential products.
- As the occupier market is quite diversified, the impact of the Covid-19 pandemic will vary from tenant to tenant. Retailers and the automotive sector have been the hardest hit, but on the other hand courier companies have recorded the number of parcel services above the pre-Christmas levels and occupiers active in online channels have also increased their sales.

- Demand for both big boxes and city logistics space is expected to remain unchanged in the medium term, ultimately depending on when the Covid-19 pandemic ends and on its knock-on effects on the economy.
- There is more than 2.1 million sqm of warehouse space under construction and scheduled for delivery by the end of this year. Speculative developments account for approximately 45% of the new pipeline. This ratio has increased significantly in recent years. However, given the current uncertain situation, investors and developers will focus more on pre-let contracts (with pre-letting) and BTS projects delivered to meet individual requirements of a client.
- Some tenants are beginning negotiations with developers and landlords to secure rent reductions that will, however, be reviewed on a case-by-case basis. Despite such discount requests under ongoing contracts becoming more common, there is no evidence of any rental changes in relation to newly-signed transactions.

## COVID-19 PANDEMIC - IMPACT ON PARTICULAR SECTORS



Source: Cushman & Wakefield based on moodys.com

# OUTLOOK

- Benefiting from its very strong fundamentals, the Polish warehouse market will develop further in the long term.
- Consumers who are currently living under lockdown and shopping online to avoid the risk of infection will also look more favorably on e-commerce once the pandemic is over.
- This will lead to growth not only in industries that are already popular with e-shoppers (clothing, electronics), but also in sectors that were marginal before the crisis, such as e-grocery, which has a 1% share of the total e-commerce market.

- Frisco.pl, which previously grew at an annual pace of approximately 30%, has seen a fourfold increase in orders since February. In the first week of April, the number of new customers was seven times that posted in the same period in 2019. Moreover, large companies from the FMCG and food sectors such as Biedronka and Żabka have now made it possible for consumers to place online orders.
- Another growth driver could be the relocation of production from Asia and the desire to keep it in Europe, closer to places of consumption. This is a great opportunity for the CEE region, which remains competitive with Western Europe in terms of rental rates and labor costs.

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*Expert*  
**OPINION**

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*The current situation is very difficult for everyone, both tenants and property owners. Most are seeing it as a challenge and trying to evolve to adapt to it. The industrial market is doing quite well compared to other commercial real estate sectors. Having said that, the overall picture is complex. In some sectors tenants are struggling with enormous business difficulties and trying to keep afloat. Problems besetting the rapidly growing automotive industry in Poland include the suspension or significant limitation of manufacturing processes, leading to a postponement of investment decisions. Some tenants are reporting moderate falls or are balancing less profitable business activities with those that will perform better in the current situation. Some companies are growing and developing at a much faster pace than ever before, largely powered by the accelerated growth in e-commerce sales. The momentum of actions and changes is strong.”*



**Joanna Sinkiewicz**

Partner,  
Head of Industrial & Logistics,  
Cushman & Wakefield

# CAPITAL MARKETS

**DUE TO COVID-19**  
OUTBREAK AND HIGH  
LEVEL OF UNCERTAINTY  
ON GLOBAL MARKETS,  
MOST INVESTORS HAVE  
TAKEN A  
*'wait and see'*  
APPROACH  
IN THEIR STRATEGIES

# Q1 2020 SUMMARY

TRENDS  
AND FORECASTS

**EUR 1.72 BN**  
INVESTMENT VOLUME  
Q1 2020

**58%**  
INDUSTRIAL SECTOR

**36%**  
OFFICE SECTOR

## YIELDS

**4.3%**  
PRIME YIELD OFFICE

**4.75%**  
PRIME YIELD RETAIL

**5.7%**  
PRIME YIELD INDUSTRIAL

## OVERVIEW AND CORONAVIRUS IMPACT

- The total investment volume in Q1 2020 in Poland reached EUR 1.72bn, which is the second best result in the first quarter of a year on record.
- Industrial sector was a driving force followed by offices.
- Due to coronavirus outbreak and uncertainty regarding future situation, investors have adapted a “wait and see” approach put on hold majority of deals.
- As a result, a slowdown in investment activity is expected in Q2.
- Provided the economy rebounds in H2, as forecast by Oxford Economics, the activity of investors should grow in Q3 and Q4, with large part of deals closing in 2021.

## THE LARGEST INVESTMENT TRANSACTIONS IN Q1 2020

PROPERTY	SECTOR	LOCATION	BUYER	SELLER	AREA (SQM)
PNB: Panattoni Park Warsaw North, Panattoni Park Warsaw South, Panattoni Park Śląsk I, Panattoni Park Poznań IV, Panattoni Park Szczecin II	Industrial	Various	Savills Investment Management	Panattoni	280,000
Redefine Properties & Griffin Real Estate Portfolio (14 properties)	Industrial	Various	Madison International Realty	European Logistics Investment (ELI)	450,000
6 logistic and light production buildings and parks	Industrial	Various	confidential	Hines	171,000
High Five II	Office	Kraków	Credit Suisse	Skanska	37,900
Maximus Portfolio	Industrial	Various	Confidential	Apollo	160,000

Source: Cushman & Wakefield

*Expert*  
**OPINION**

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*Poland's strong performance in recent years was anticipated to continue this year, driven by the rapid growth in occupier demand, the country's large market and attractive returns on investments.*

*In the first quarter of 2020, we observed great interest in industrial and office properties, which resulted in very low yields, often reaching historically low levels.*

*However due to coronavirus outbreak and high level of uncertainty on global markets, most investors have taken a 'wait and see' approach in their strategies.*

*Large platform transactions that have been signed recently are expected to close in the coming quarters, which will provide an encouraging "boost" for the investment volume for 2020.*

*Despite this and continuing strong occupier demand in the office and logistics sectors, we expect that 25-35% of deals planned for this year will not take place or will probably be postponed until next year."*



**Soren Rodian Olsen**

Partner, Head of Capital Markets,  
Cushman & Wakefield