MARKETBEAT

POLAND

RESIDENTIAL SECTOR Q3 2025

CUSHMAN & WAKEFIELD

ECONOMIC INDICATORS

		YoY change	12-month forecast
PLN 8 769	Average monthly gross salary (September 2025)	▲	▲
7.5%	Average annual salary growth (September 2025)	▲	▲
5.6%	Unemployment rate (September 2025)	▲	–
2.9%	Inflation (September 2025)	▼	–
42.2%	Mortgage enquiries (September 2025)	▲	▲

MARKET FUNDAMENTALS

		YoY change	12-month forecast
PLN 17,322	Average offer price per sqm of a flat on the primary market in Warsaw	▼	▲
PLN 18,301	Average offer price per sqm of a flat on the secondary market in Warsaw	▼	▲
+2%	Average annual residential rental growth in 7 cities (total housing stock)	▲	▲

Source: GUS, NBP, otodom, Moody's, BIK, cenatorium

GDP

In the third quarter of 2025, Poland's economy continued to expand, with GDP rising by 3.7% year-on-year—the fastest pace since Q4 2022, according to estimates by Statistics Poland (GUS). The economic recovery was driven primarily by private consumption, supported by a stable labour market. Poland's current economic growth remains among the highest in the European Union. In the coming quarters, macroeconomic stability is expected to persist, and declining inflation should further support consumer demand. The outlook for further GDP growth depends on improvements in the economic situation in Western Europe, conditions in the labour market, and the inflow of EU funds (KPO and structural funds).

INFLATION

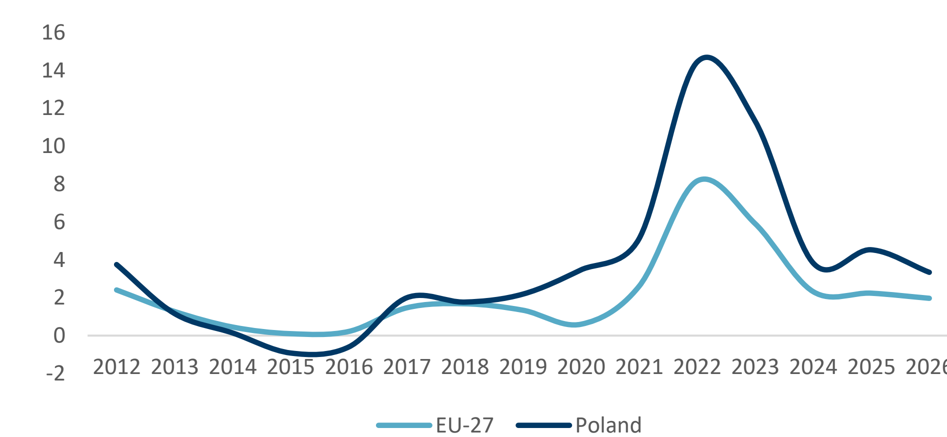
According to the latest data from Statistics Poland, inflation in Poland remains within the target range set by the National Bank of Poland (1.5–3.5%). A flash estimate puts annual inflation at 2.9% in September 2025. The main reference rate of the National Bank of Poland amounted to 4.75% in September 2025. From May 2025, the Monetary Policy Council (RPP) gradually lowered from 5.75% at the end of April 2025, in response to a marked decline in inflation and stabilization of the economic situation.

MORTGAGES

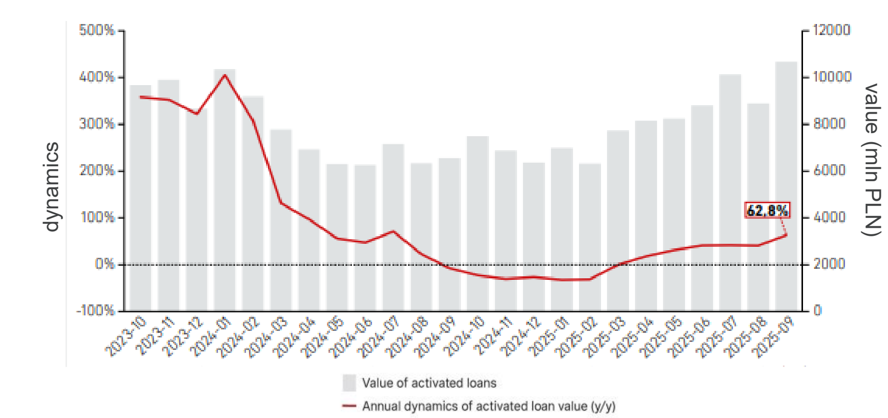
According to data from the Credit Information Bureau, in September 2025, the value of mortgage loan inquiries increased by 42.2% year-on-year. A total of 39,910 people applied for a mortgage, which is a 40.2% increase YoY. Compared to August, the number of applicants rose by 13.1%. The average requested mortgage amount reached PLN 472,500, up 6.3% from the previous year and 1.0% higher than in August 2025. In August 2025, banks granted 29.5% more mortgage loans than a year earlier, and the total value of these loans was 40.4% higher year-on-year. The level of mortgage indebtedness in Poland understood as the share of adults with an outstanding residential mortgage relative to the total adult population currently stands at 11.9 percent which means that nearly one in nine adults holds a mortgage obligation a striking aspect is the regional variation with the Warsaw metropolitan area reaching 18.1 percent significantly above the national average western regions also show higher levels.

AVERAGE MONTHLY GROSS SALARY, PLN

INFLATION

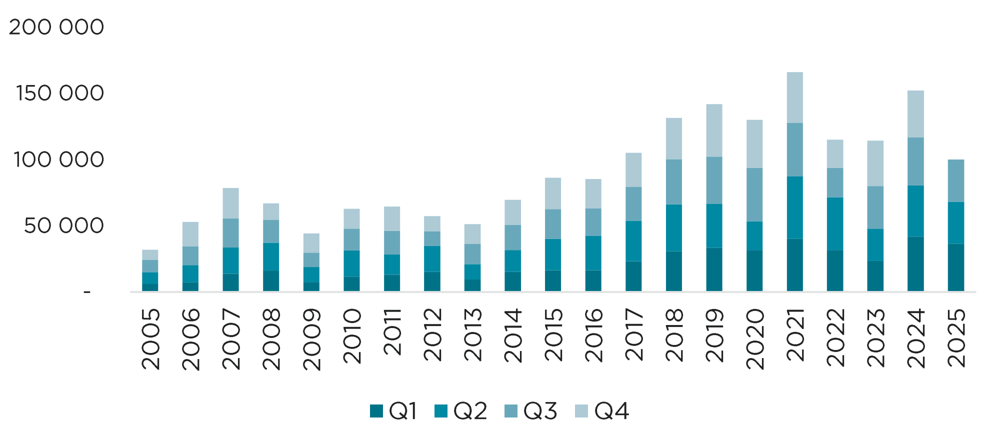


MORTGAGES

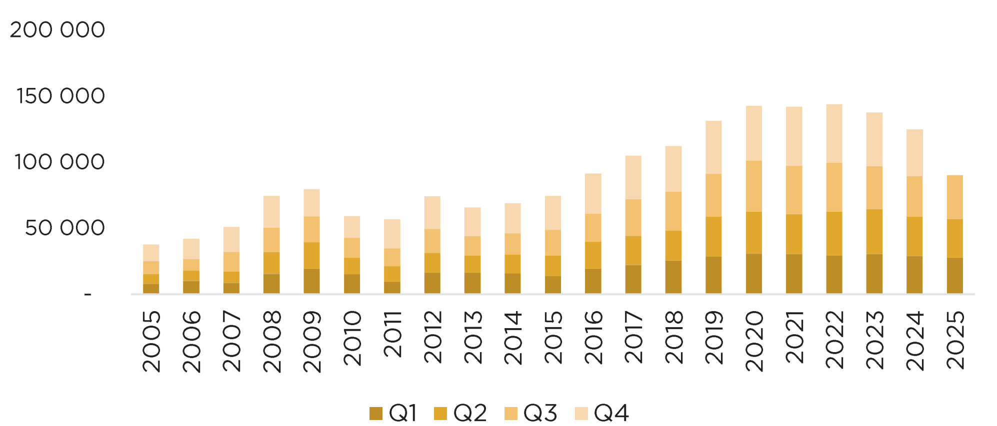


Source: GUS, NBP, otodom, Moody's, BIK

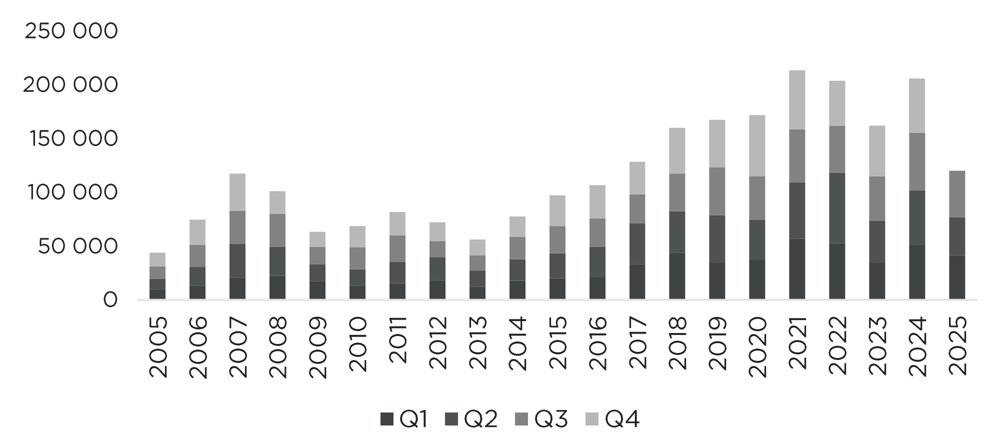
BUILD-TO-SELL AND BUILD-TO-RENT FLATS STARTED



BUILD-TO-SELL AND BUILD-TO-RENT FLATS WITH OCCUPANCY PERMITS



BUILD-TO-SELL AND BUILD-TO-RENT FLATS WITH BUILDING PERMITS



Source: Statistics Poland (GUS)

NEW-BUILD HOUSING MARKET FLATS STARTED

During the first three quarters of 2025, construction began on 100,113 flats intended for sale or rent, which represents a 14 percent decrease compared to the same period in 2024 and at the same time a 24 percent increase compared to the first three quarters of 2023. The full-year 2025 figure for flats whose construction was initiated by developers is expected to surpass both 2022 and 2023 levels.

According to Otodom data, in September 2025 there were approximately 62 thousand new flats listed for sale on the primary market across the seven largest cities. From January to September 2025, over 29,000 new flats were sold, indicating stable demand with high offer and consistent supply.

FLAT COMPLETIONS

The number of dwellings completed in the first three quarters of 2025 totalled 90,290, representing an increase of 1% compared to the corresponding period in 2024. To date, 2022 was a record year in terms of units delivered by developers (almost 144K). Given the very high number of new starts in 2024, the years 2026–2027 may bring a more dynamic rise in completions, which could translate into even higher figures.

FLATS WITH BUILDING PERMITS

In the first three quarters of 2025, developers obtained permits for the construction of 120,154 apartments intended for sale or rent, which represents a decrease of approximately 23% compared to the corresponding period in 2024, when permits were issued for 155,173 apartments, but at the same time an increase of 4.6% compared to the first three quarters of 2023 (just under 115,000 apartments with permits).

The highest number of apartments for which developers were granted permits was recorded in 2021. In total, over the past five years, permits have been issued for the construction of 962,000 apartments in Poland in the category for sale and rent. For comparison, Kraków had, at the end of 2024 according to GUS data, 466,000 apartments in its total housing stock.

HOUSING STOCK

At the end of 2024, Poland's housing stock reached nearly 16 million dwellings, marking a slight improvement in overall housing conditions. The average dwelling size was 75.6 m^2, an increase of 0.1 m^2 compared to 2023, while the average usable floor space per person rose by 0.6 m^2 to 32.2 m^2.

MARKET OVERVIEW

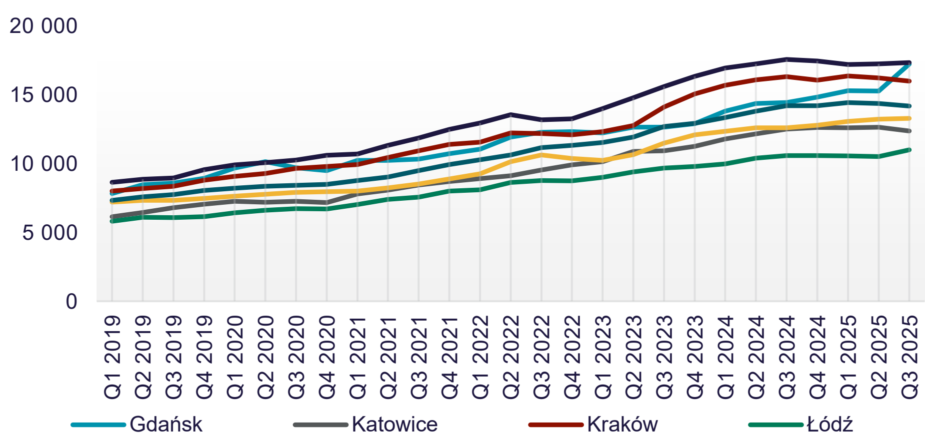
In 2024, according to Statistics Poland (GUS), municipal holdings comprised 24.3 thousand hectares of undeveloped land designated for residential construction. By year-end, 62.5% of this land was located in urban areas, with 63.9% intended for single-family housing. Overall, 47.5% of the land allocated for residential development was serviced, and 61.9% of these serviced plots were situated in cities.

There is a growing risk that the forthcoming urban planning reform may render numerous plots without building permits effectively uninvestable, particularly in areas not covered by local land-use plans or not designated in municipal master plans as zones for infill development. As a result, investors—rather than developers—are seeking to secure permits as quickly as possible to mitigate the risk that future regulatory changes could prevent them from pursuing projects on these sites.

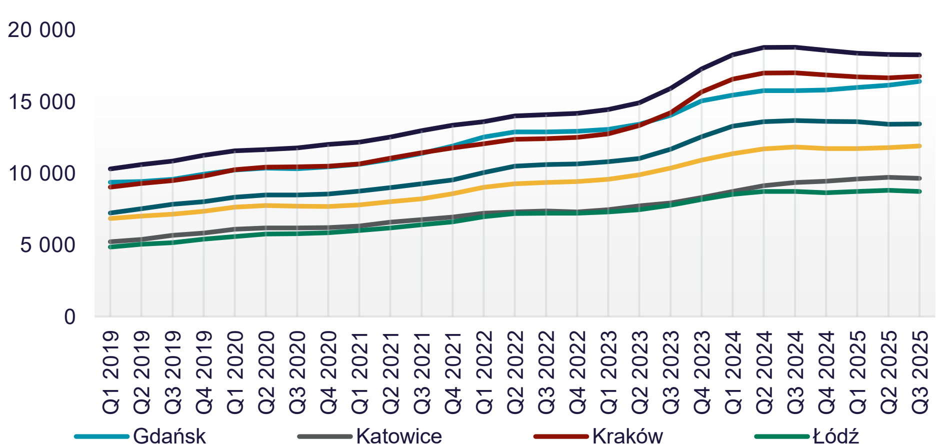
The reform will have its greatest impact in June 2026, when the law comes fully into effect. The main risks stem from the fact that parliamentary committees are currently working on further amendments, and its final shape has not yet been fully determined.

It is projected that these changes will drive an upward adjustment in land values designated for residential development, particularly within urban areas. Paradoxically, this dynamic may stimulate the expansion of peripheral zones – commonly referred to as "doughnut areas" – although the extent of this process will largely depend on spatial planning policies adopted by municipalities adjacent to these cities.

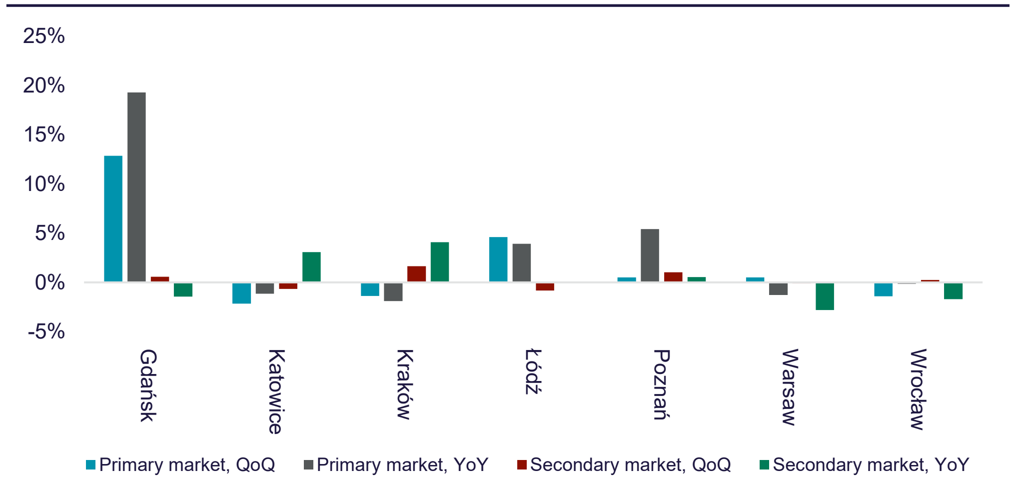
AVERAGE OFFER PRICES ON THE PRIMARY MARKET (PLN/SQM)



AVERAGE OFFER PRICES ON THE SECONDARY MARKET (PLN/SQM)



AVERAGE PRICE DYNAMICS IN MAJOR CITIES Q3 2025



Source: Cushman & Wakefield, based on data from otodom

PRIMARY MARKET

The residential real estate market in Poland in the third quarter of 2025 shows signs of stabilization after years of fluctuations. Average asking prices in the primary market in Q3 2025 remained at the same level quarter-on-quarter, with slight increases of 1% in Warsaw and Poznań, 5% in Łódź, while Gdańsk proved to be the quarterly leader, recording a significant increase of 13%. Kraków, Wrocław and Katowice noted minor declines of –1% and –2%.

On an annual basis according to otodom data, the growth dynamics of asking prices in the primary market in Gdańsk reached +19%. Poznań and Łódź also recorded increases of 5% and 4%, while Warsaw and Katowice fell by –1%, and Kraków by –2%.

Warsaw, Kraków and Gdańsk remain at the top of the price spectrum. Although the pace of growth in Warsaw and Kraków has slowed compared to previous years, Gdańsk recorded a significant change in the average price, driven by higher-priced units introduced in Q3 2025. Average asking prices in the primary market in the third quarter of 2025 were 17,322 PLN per square meter in Warsaw, 17,210 PLN in Gdańsk and 15,982 PLN in Kraków.

Limited land availability and rising costs are likely to sustain price growth, and the five-year upward trend remains strong in the largest cities.

SECONDARY MARKET

Asking prices in the secondary market have stabilized, as confirmed by Otodom data showing quarter-on-quarter changes of no more than ±1–2% across all major Polish cities. The largest annual correction in the secondary market is visible in Warsaw (–4% year-on-year) and Wrocław (–2% year-on-year), while increases are observed in Kraków (+4% y/y), Katowice (+3% y/y) and Poznań (+1% y/y).

SUPPLY DYNAMICS

Data from Otodom indicate that the number of units sold by developers in September exceeded 4,400 — marking a 36% month-on-month increase and the highest result in more than 22 months. For the third time this year, the number of apartments sold surpassed the number of new offers (slightly over 3,000 new units introduced by developers across seven markets). However, the situation remains far from the demand-supply imbalance observed in August 2023, during the peak impact of the "Safe Credit 2%" program. The market offer remains abundant, ensuring a broad selection for prospective buyers.

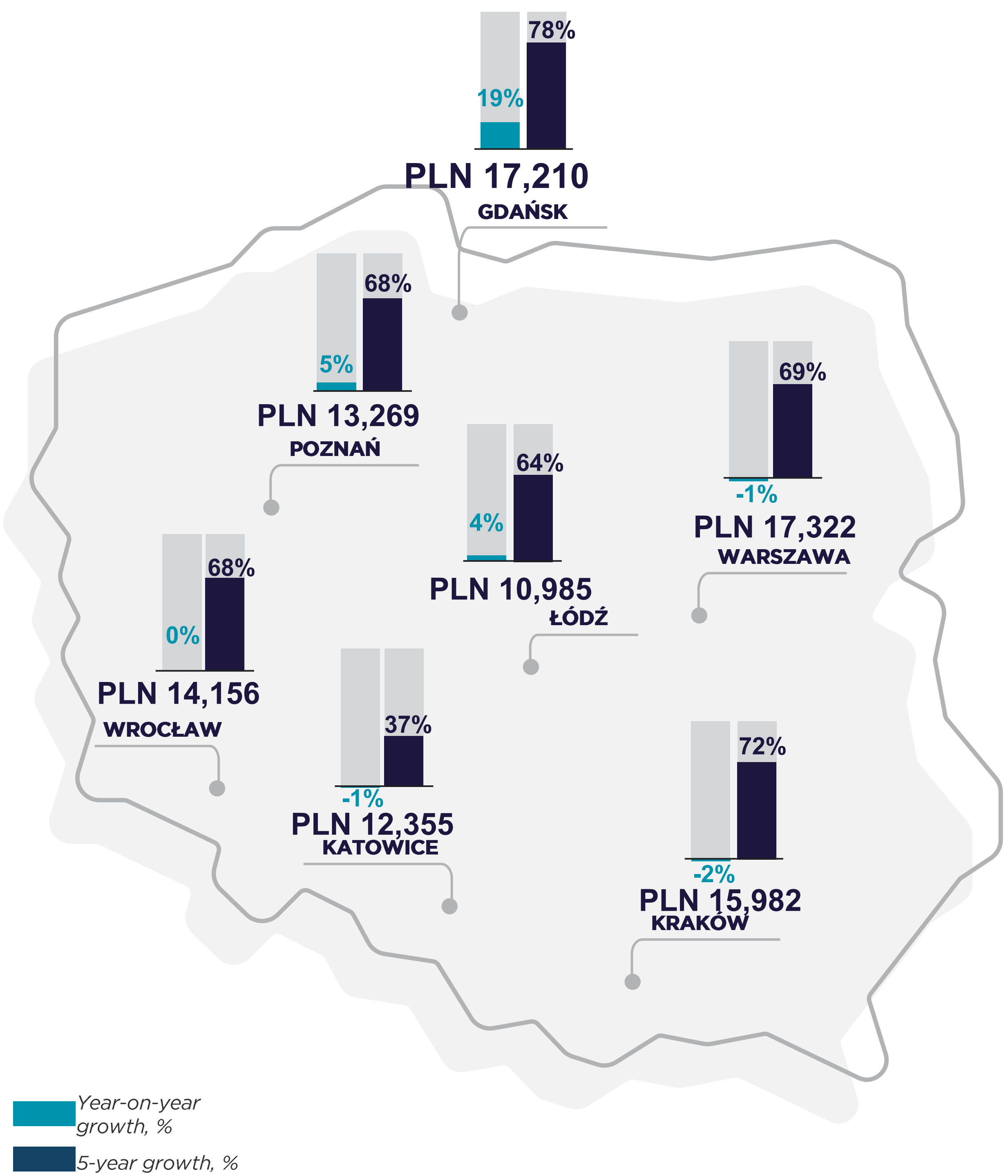
MARKET OVERVIEW

September 2025 marked a turning point for Poland's residential market as new legislation came into force, requiring developers to disclose prices publicly on their websites under threat of financial penalties. While the move significantly impacted data transparency and the statistical sample, it had little effect on average asking prices.

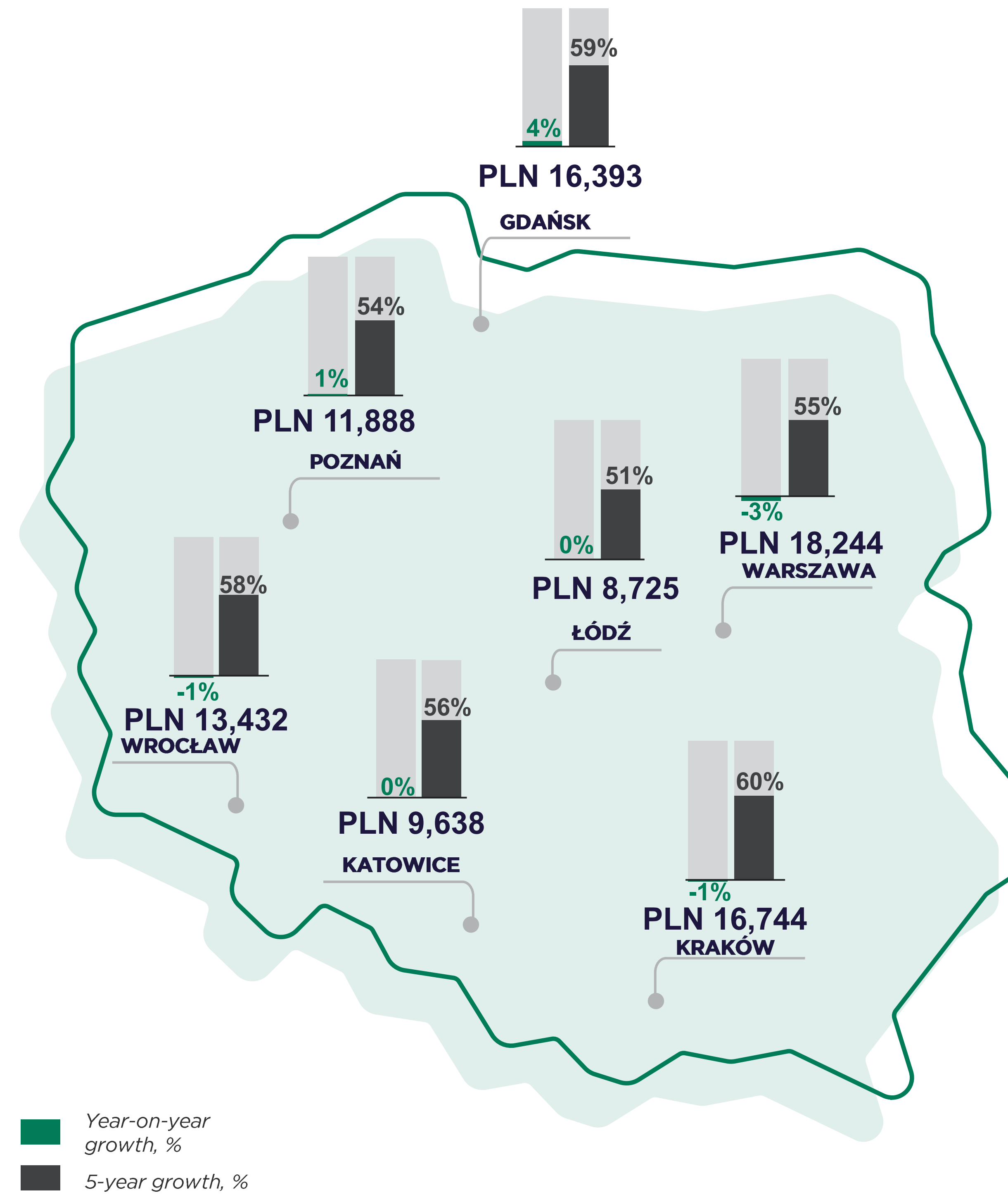
The Act on Streamlining the Planning and Delivery of Residential and Ancillary Development Projects (Lex Developer), in force since 2018 and extended until the first half of 2026, has enabled developers to initiate projects on post-industrial sites, former railway areas, and underutilized plots, including locations with inactive shopping centers and office buildings. Developers have taken advantage of this opportunity in several cities, with visible effects in Łódź, Warsaw, and across parts of Upper Silesia.

Considering the tightening regulatory framework for developers, persistent constraints on land availability coupled with escalating land costs, and—critically—the absence of alternative investment vehicles in Poland comparable to REITs in other markets, residential property continues to stand out as a preferred asset class. These factors collectively underpin our expectation that residential prices will maintain an upward trajectory over the coming quarters, with this trend likely to extend into the medium term.

AVERAGE OFFER PRICES FOR NEW-BUILD FLATS ON THE PRIMARY MARKET, Q3 2025 (PLN/SQM)



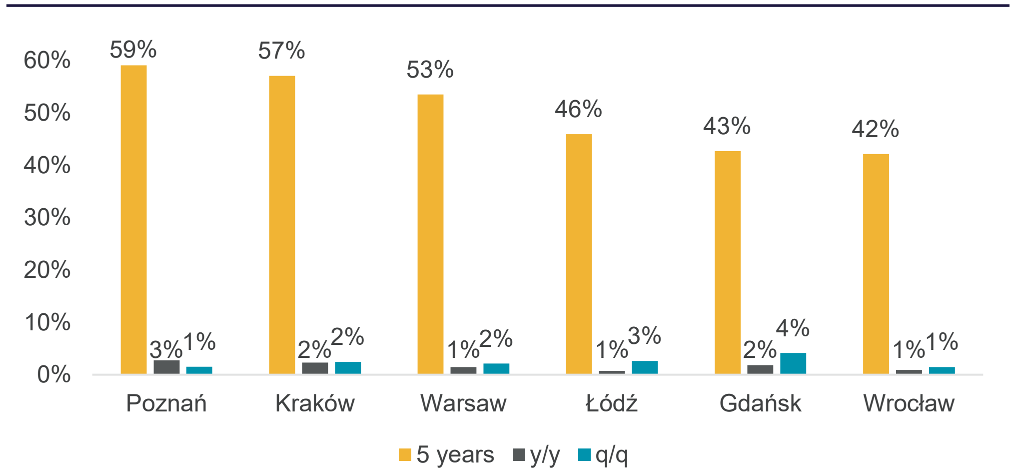
AVERAGE OFFER PRICES FOR FLATS ON THE SECONDARY MARKET, Q3 2025 (PLN/SQM)



Source: Cushman & Wakefield, based on data from otodom

RENTAL GROWTH IN EUROPE IN THE LAST FIVE YEARS, Q2 2025

RENTAL GROWTH IN POLISH CITIES, Q3 2025



Source: Cushman & Wakefield, based on data from Eurostat, otodom, Numbeo, cenatorium

RESIDENTIAL RENTAL MARKET

Over the past five years, the European rental market has experienced significant dynamics, with Central and Eastern Europe leading the growth. Poland ranked second for several years, just behind Hungary, in terms of rental price increases. As of Q2 2025, Poland's five-year rental growth stands at approximately 61%, while Hungary recorded a surge of over 100% due to inflation. The European average remains around 19%, underscoring Poland's position as one of the most dynamic markets in the region. Importantly, the sharp rental growth dynamics in Poland have eased—over the past two years, growth has remained steady and predictable, largely tracking inflation.

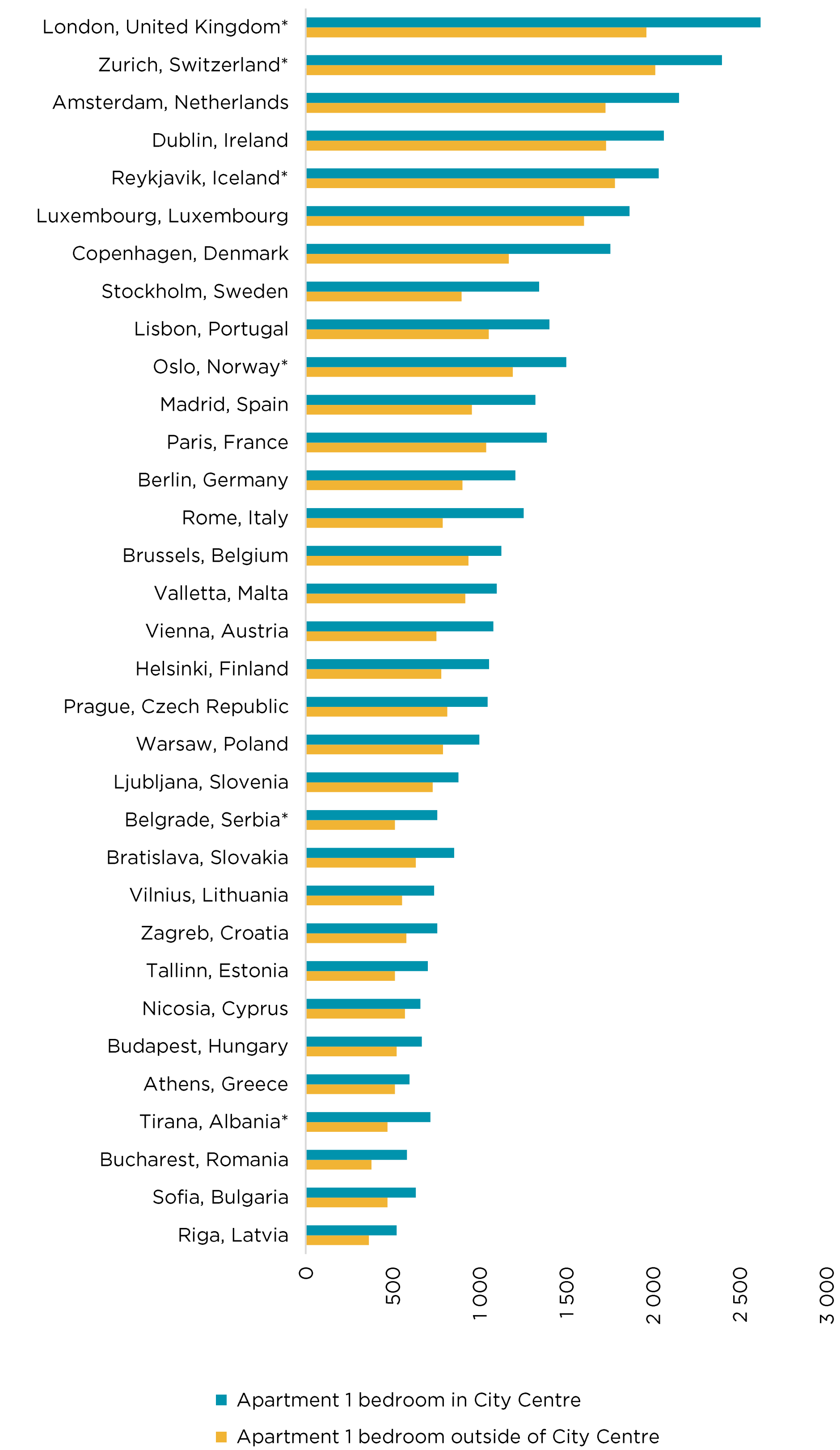
Despite these strong growth rates, rents across Central and Eastern Europe remain moderate compared to Western Europe. For example, in Hungary, the average monthly rent for a 1-bedroom flat in Budapest's city centre is about €598 (ca. 2,600 PLN), and €518 (ca. 2,250 PLN) outside the centre—far below London or Zurich. Across European capitals, rental rents for 1-bedroom flats vary widely. London tops the ranking, with city-centre rents averaging €2,620 (ca. 11,300 PLN) and €1,965 (ca. 8,500 PLN) outside the centre. Zurich and Amsterdam follow closely, with city-centre rents exceeding €2,000 (ca. 8,700 PLN) and €1,726 (ca. 7,500 PLN), respectively. The most affordable markets include Riga and Sofia, where city-centre rents remain below €600 (ca. 2,600 PLN).

Warsaw ranks in the middle segment of the European scale, with average rents of €819 (ca. 3,500 PLN) in the centre and €681 (ca. 2,900 PLN) outside, reinforcing its cost competitiveness compared to Western Europe.

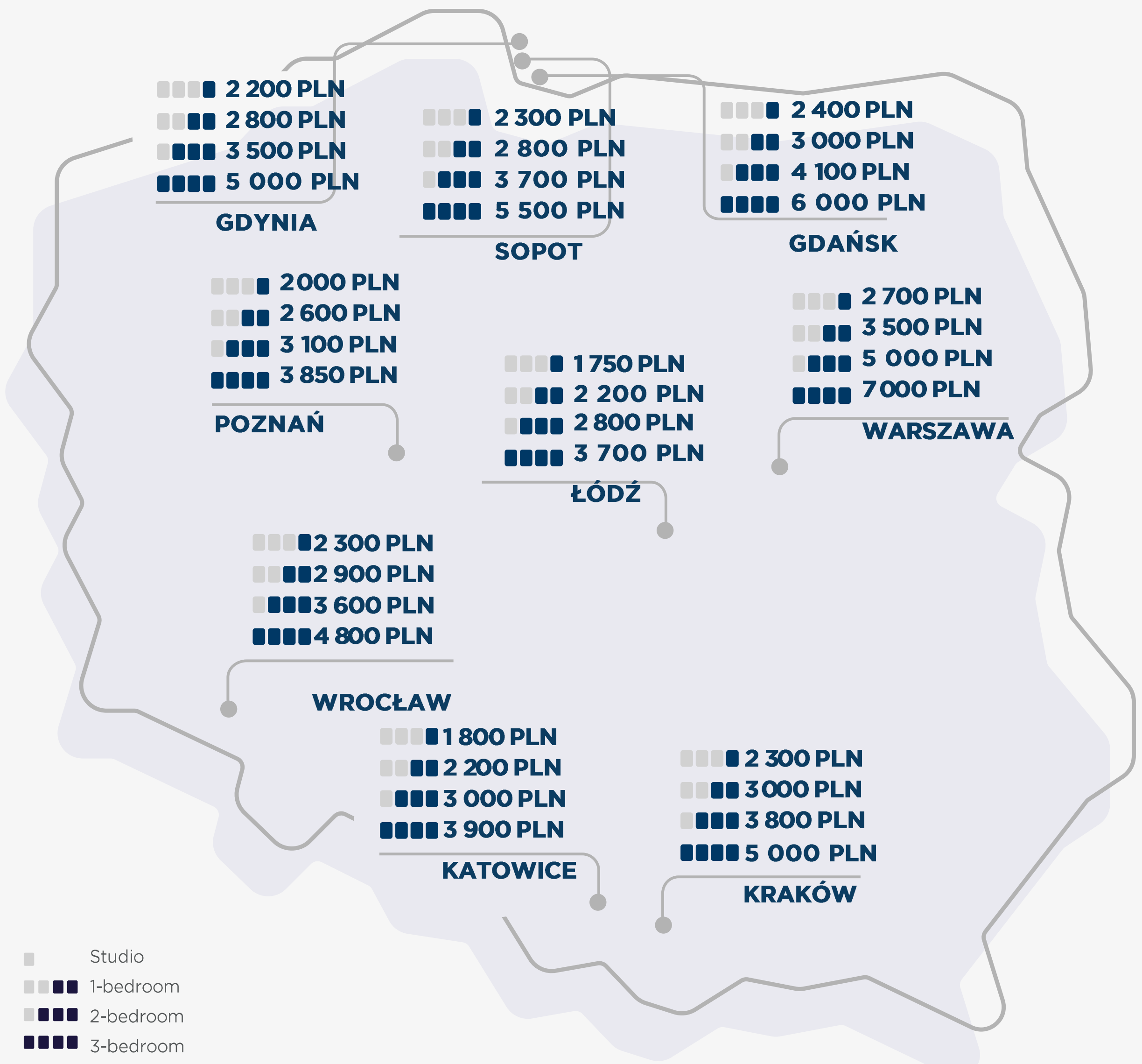
Within Poland, median rents (total stock, excluding utilities and service charges) confirm Warsaw as the most expensive market, where a studio costs around 2,800 PLN and a three-bedroom apartment up to 7,000 PLN. The Tri-City area also shows elevated rates, where studios start from 2,000–2,600 PLN. The lowest medians are found in Katowice and Łódź, with studios priced between 1,750 and 2,200 PLN.

For newer buildings completed after 2010, rents are higher—three-bedroom apartments in Warsaw can exceed 7,200 PLN, with similar upward trends in the Tri-City.

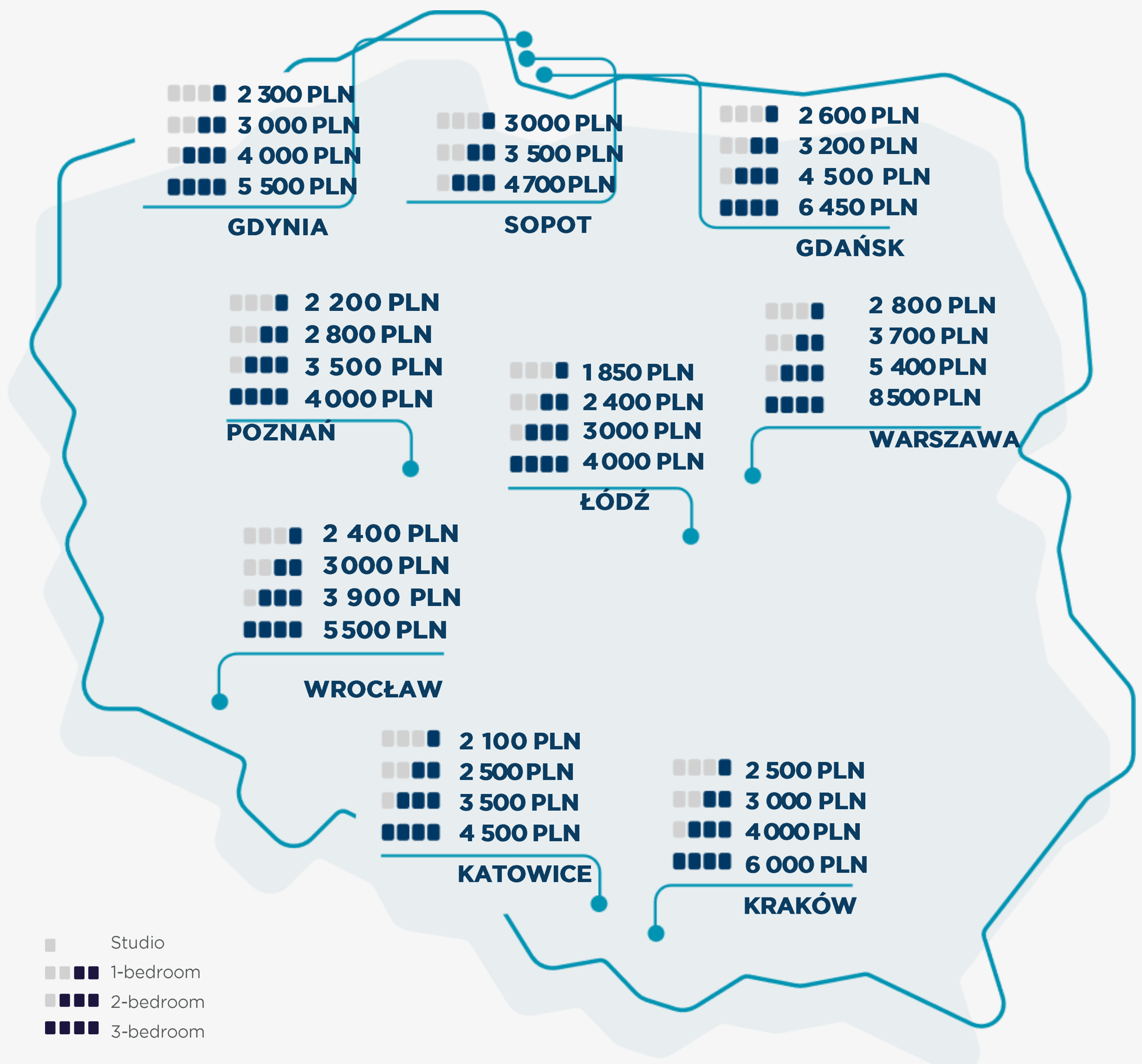
AVERAGE RESIDENTIAL RENTS IN EUROPEAN CAPITALS, SEPTEMBER 2025 (EUR/MONTH)



MEDIAN ASKING RENTS
(EXCLUDING SERVICE CHARGES AND UTILITY COSTS, Q3 2025)
TOTAL STOCK

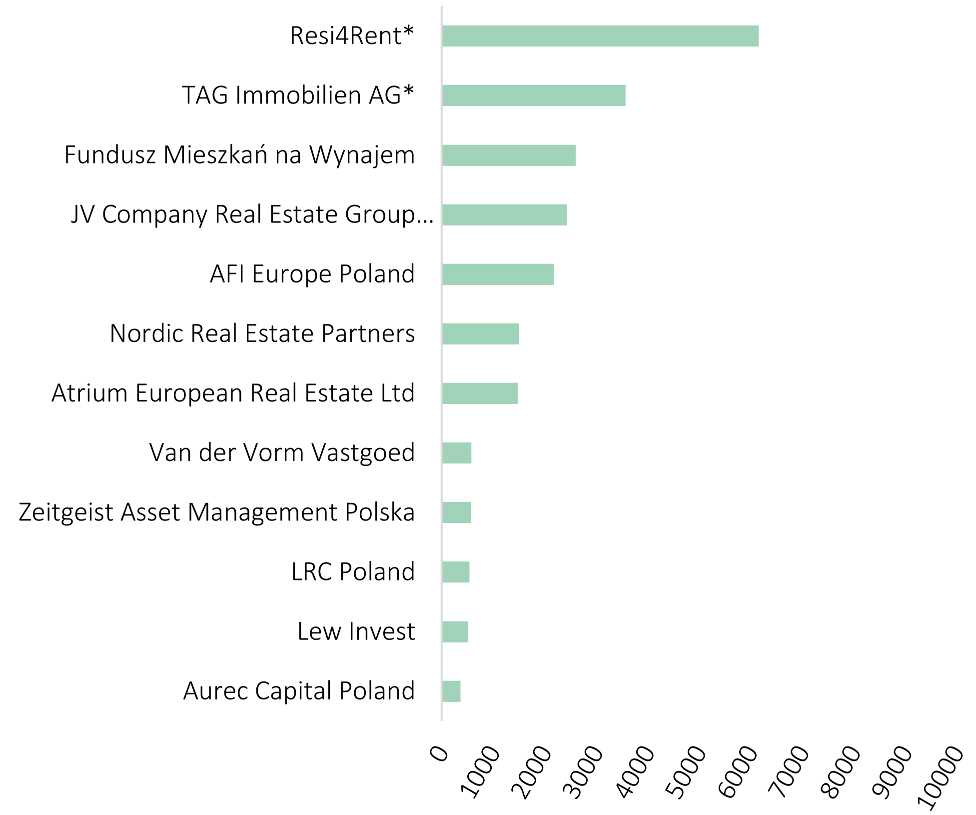


MEDIAN ASKING RENTS
(EXCLUDING SERVICE CHARGES AND UTILITY COSTS, Q3 2025)
NEW STOCK (BUILT AFTER 2010)

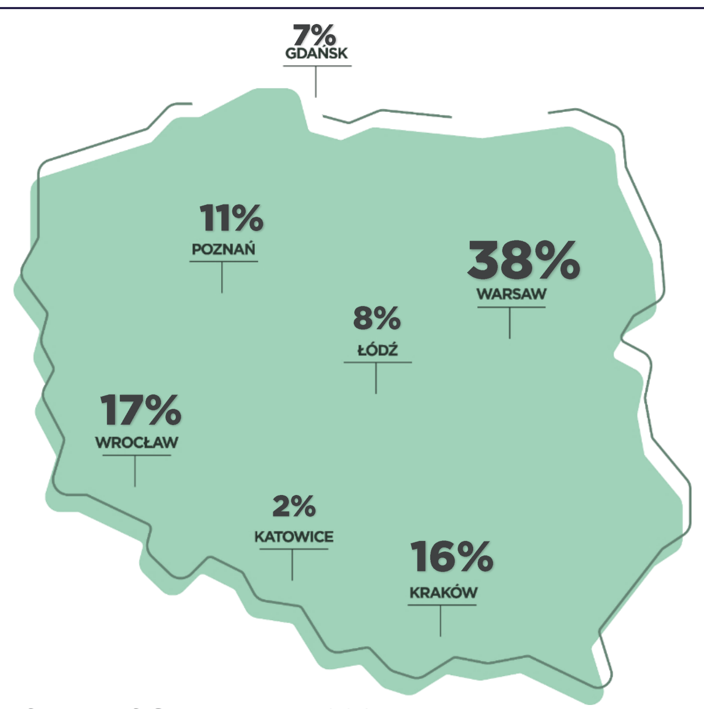


Source: Cushman & Wakefield, based on data from otodom, web portals, cenatorium

LEADING PRS INVESTORS, NUMBER OF OPERATING FLATS



SHARE OF OPERATING FLATS IN PRS PROJECTS



As of end of Septmeber 2025

Source: Cushman & Wakefield

PRS MARKET

Poland's PRS stock comprises more than 23K units for rent in the largest cities. Until Q3 2025, Resi4Rent - an investor, developer and manager (JV Echo Investment, Griffin Capital Partners and PIMCO) had the largest portfolio in Poland. Resi4Rent has decided to exit part of its large PRS portfolio, selling 5,322 residential units across 18 projects located in Poland's major cities to TAG Immobilien. The transaction has been the largest PRS transaction in Poland worth approximately EUR 565 milion. As of the time of writing, the purchase is pending approval from the Polish Office of Competition and Consumer Protection (UOKiK), but is expected to be processed in the next weeks. Once that happens, Vantage Rent (TAG Immobilien rental platform) will account for 38% of operating PRS units in Poland.

Publicly announced projects are expected to add another 20,000 rental apartments to the Polish PRS market in the coming years. Whether this figure continues to grow will depend on market activity, as developers are increasing their involvement in this segment – similarly to investors specialising in the PRS market. However, due to the sale of some projects to individual buyers (e.g., Heimstaden Bostad), it is currently difficult to estimate the exact number of PRS units in the coming years.

Both institutional and private landlords offer mostly small and compact flats - studios and 1-bedrom flats account for 86% of all rental properties. The average size of a studio and a 1-bedroom flat is 29 sqm and 41 sqm respectively. Larger (3-bedroom) flats account for a mere 2% of total stock, with the average size of such flats being 81 sqm. The average size of all operating PRS flats is just under 40 sqm.

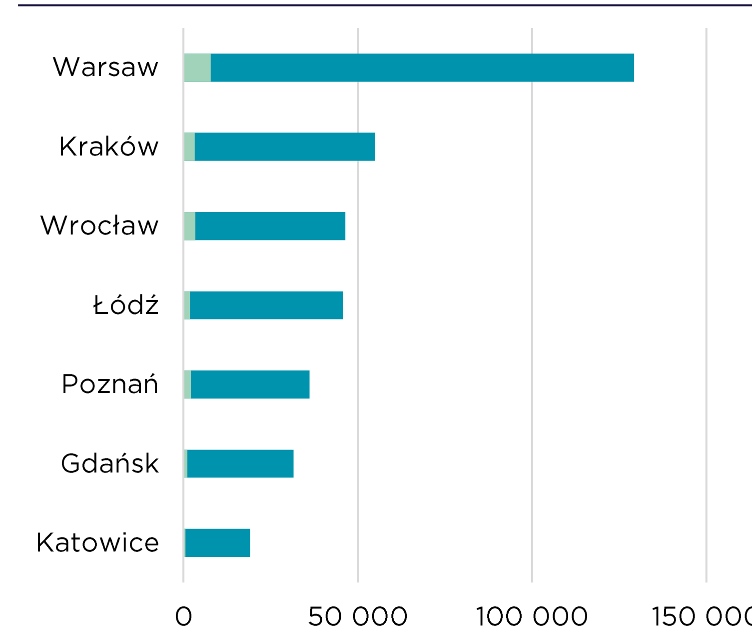
Warsaw, representing 38% of all operating PRS flats, is well ahead of other cities as the market leader. Other leading cities are Wrocław (17%), Krakow (16%) and Poznań (11%). Łódź and Tricity account for 8% and 7% of total stock respectively, with Katowice making up a mere 2%.

MARKET OVERVIEW

The PRS sector is experiencing strong growth, with a clear distinction between operational and planned rental units across major urban areas. Currently, 54% of the rental stock in Poland is operational, while 46% remains in the planning phase, highlighting the ongoing development pipeline that will continue to shape the market in the coming years.

Nevertheless, in relation to the total number of rental apartments, which is estimated at around 10-12% of the total housing stock in the 7 biggest Polish cities, the scale of the PRS market remains incomparable. While the sector is experiencing rapid growth and gaining prominence, it still faces significant competition for tenants from individual landlords.

ESTIMATED RENTAL STOCK HELD BY INDIVIDUAL LANDLORDS (BLUE VALUE), COMPARED WITH THE SIZE OF THE PRS STOCK (GREEN VALUE).



Source: Cushman & Wakefield

METHODOLOGY

Cushman & Wakefield data comes from various sources, including external data sources and its proprietary data. Market statistics are based on data from Statistics Poland (GUS), the National Bank of Poland, Moody's Analytics, Eurostat, otodom, cenatorium, Numbeo, as well as internal data gathered by and on behalf of Cushman & Wakefield.
The numerical data for the first three quarters of 2025 is preliminary and all the information contained within this report may be subject to corrections and changes based on any additional data received. Data is provided as at the end of September 2025, even if the report is published thereafter.

TERMS AND DATA EXPLAINED

The unemployment rate, salary levels and their growth are calculated according to statistics from Statistics Poland (GUS), with forecasts based on data from Moody's Analytics.

The number of mortgage enquiries represents the number of submitted mortgage applications, according to the methodology of the Polish Bank Association.

Flats (residential buildings) are dwellings whose completion has been reported by an investor to a poviat building supervision authority and such authority has either raised no objections or issued an occupancy permit for such dwellings.

Data may vary by source.

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Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2023, the firm reported revenue of $9.5 billion across its core services of property, facilities and project management, leasing, capital markets, and valuation and other services. It also receives numerous industry and business accolades for its award-winning culture and commitment to Diversity, Equity and Inclusion (DEI), sustainability and more. For additional information, visit www.cushmanwakefield.com.

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