PERISKOP

Real Estate Market Report Poland

/ Q1 2026

1. GENERAL MARKET OVERVIEW — Poland

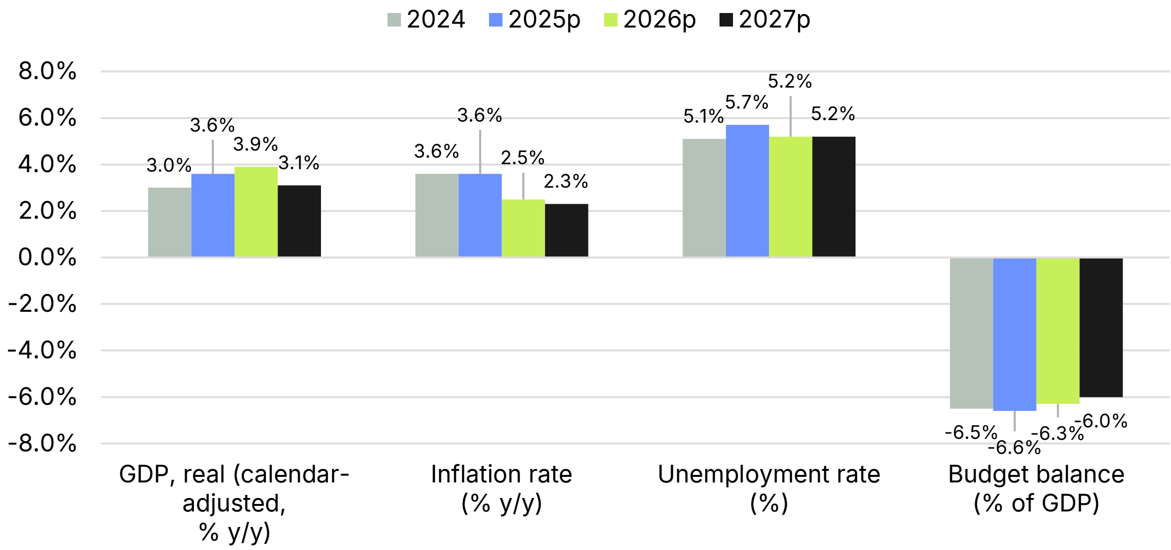
Polish economy with strong final quarter

The Polish economy continued its robust growth path in 2025 and again ranked among the more dynamic economies in the EU. Real GDP expanded by 3,6% for the year as a whole, with momentum accelerating towards year-end and reaching 4,0% y/y in the fourth quarter. The strong final quarter meant that earlier growth forecasts were slightly exceeded. Growth was driven primarily by private consumption, solid export activity and rising public expenditure. At the same time, investment gained importance over the course of the year, with gross fixed capital formation increasing by 4,2% in 2025. This, together with improved sentiment, points to a broader and increasingly investment-led growth base. The external sector also performed better than widely expected and provided additional support. Private households benefited in particular from positive income developments. Wage growth accelerated to 8,6% y/y at the end of 2025, while inflation declined to 2,4%, resulting in a marked increase in real wages and an additional boost to consumption. Nonetheless, the macroeconomic environment remained shaped by structural and geopolitical risks. EU funds – in particular cohesion funds and remaining resources from the Recovery and Resilience Facility – continue to support investment and provide fiscal leeway. Inflation initially remained moderate and stood at around 2,1% in both January and February 2026. However, the conflict in Iran has recently increased uncertainty regarding inflation, interest rates and overall economic growth. In the baseline scenario, GDP growth of 3,9% is still expected for 2026, but it is emphasised that energy price volatility, potential second-round effects and a weakening in real income dynamics could weigh on the outlook. Against this backdrop, prospects for 2026 remain fundamentally positive, but are subject to heightened external uncertainty.

Cautious monetary policy easing in Poland

Polish monetary policy entered a new phase at the start of 2026. In March, the Monetary Policy Council of the National Bank of Poland cut the key policy rate for the first time this year by 25 basis points to 3,75%. The move was driven mainly by recently low inflation readings, a slowdown in wage dynamics and prior signals from individual council members in favour of cautious easing. At the same time, the environment remains characterised by elevated uncertainty. The recent rise in energy prices due to geopolitical tensions in the Middle East and the temporary weakening of the złoty have clouded the inflation outlook again. As a result, the future policy path is likely to remain clearly data-dependent. While the March decision effectively resumed the easing cycle, expectations for further rate cuts later in the year have diminished significantly in light of the increased external risks. The key determinants for the policy stance will be the trajectory of energy prices, the inflation path over the coming months and the extent to which external shocks feed through to domestic demand and the exchange rate.

MACROECONOMIC INDICATORS POLAND



Source: Erste Group Research, 16.03.2026

Residential construction with declining completions and slightly positive permitting trend

In the period January to February 2026, around 29,300 residential units were completed in Poland, a decrease of 3,7% compared with the same period of the previous year. The majority was delivered by developers, accounting for 17,110 units (-6,7% y/y), while private investors completed 11,603 units (+3,5% y/y). The total floor space of newly completed dwellings amounted to roughly 2,7 Mio. sqm, 1,2% below the previous year's level. By contrast, permitting activity showed a slightly positive trend: the number of building permits increased marginally by 0,1% to just over 40,300 dwellings in the same period, with private builders in particular recording a 10,6% rise. Construction activity at an early stage was, however, significantly weaker, with housing starts down 21,8%. Overall, around 835,900 dwellings were under construction at the end of February, corresponding to a moderate decline of 0,3% compared with a year earlier. The highest numbers of completed, permitted and started dwellings were recorded in the voivodeships of Mazowieckie, Śląskie and Wielkopolskie

Polish investment market in 2025 resilient and liquid

Despite challenging financing conditions and geopolitical headwinds, the Polish commercial real estate investment market remained robust in 2025. Depending on the source and market definition, transaction volume amounted to around € 4,0–€ 4,5 Mrd., below the very strong prior year but clearly above 2023, when volume almost doubled to roughly € 4,0 Mrd. according to BNP Paribas Real Estate. The market was supported by high liquidity, driven by numerous smaller transactions, and by the continued strong presence of domestic investors. At the same time, the international capital base broadened, including new entrants from France, while Czech investors formed the largest buyer group with an invested volume of around € 1,1 Mrd. In a regional context, Poland thus maintained its position as one of the dominant CEE markets, accounting for around 40% of the total CEE-5 volume of approximately € 4,5 Mrd. according to Knight Frank. By sector, the largest share of investment targeted industrial and logistics assets (37%), followed by offices (32%) and retail (20%). Prime net initial yields remained largely stable over the year and most recently stood at 6,25% for both office and logistics properties, 5,25% for logistics assets in the e-commerce segment and 6,50% for shopping centres. Overall, Poland once again confirmed its role as one of the most liquid and attractive investment markets in the region, supported by stable pricing, rising rents and solid macroeconomic fundamentals.

Rent gap moves to the centre of housing policy

In 2026, the Polish government is focusing its housing strategy specifically on households in the so-called “rent gap” – families whose incomes are too high to qualify for municipal housing but insufficient to purchase a home on the open market. According to government estimates, this affects around 4 Mio. families. For 2026, the state budget provides a total of PLN 6,7 Mrd.; including funds from the national recovery plan, the volume rises to PLN 8,7 Mrd. These resources are intended to finance the construction, refurbishment and modernisation of 18,000 social and municipal dwellings as well as an additional 2,500 student dormitory places. At the same time, the programme marks a strategic shift in housing policy: instead of new mortgage subsidies, the focus is moving more strongly towards supply-side support for residential construction. However, despite the significantly increased funding, the overall scale remains limited. Observers note that Poland has completed on average only around 5,400 municipal units per year over the past decade, while demand in the rent-gap segment is many times higher. Accordingly, the new programme is seen as an important step in the right direction, but not yet sufficient to close the structural gap between social housing and the free market.

Warsaw moves into the focus of international investor interest

Within the Polish market, institutional investor attention is centred primarily on Warsaw. In CBRE’s European Investor Intentions Survey 2026, the Polish capital ranked third among Europe’s most attractive cities for cross-border real estate investment, improving its position compared with the previous year. Only London and Madrid ranked higher, while Barcelona, Milan and Paris followed behind. At country level, Poland also continues to be viewed very positively and achieved third place in terms of expected real estate returns in Europe. However, in the comparison of individual cities, investor interest is clearly concentrated on Warsaw as the country’s most visible and liquid market. This is supported by an overall more favourable sentiment towards CEE: 58% of investors active in the region plan to increase their acquisitions in 2026, 48% expect higher sales activity, and roughly one in five European investors intends to allocate capital to CEE. Against this backdrop, Warsaw remains the key gateway for international real estate capital into Poland.

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