PERISKOP

Real Estate Market Report Poland.

/ Q2 2026

1. GENERAL MARKET OVERVIEW — POLAND

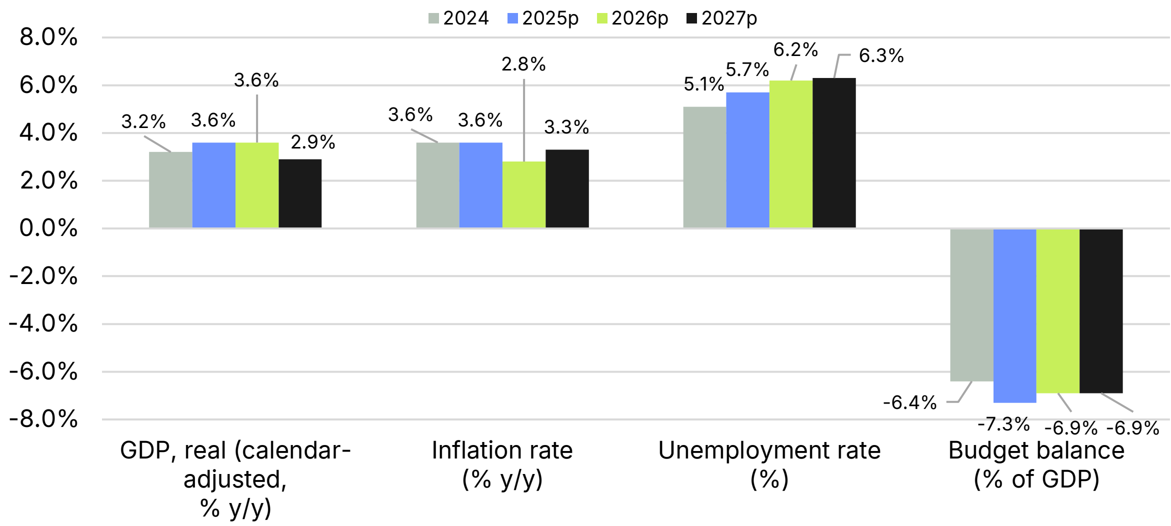
Poland´s Economy Remains Resilient Despite Elevated Risk Premiums

Despite a weaker start to the year, Poland's economy remains one of Europe's more dynamic economies in 2026. GDP growth in Q1 2026 stood at 3.5% year-on-year, below expectations, with the weaker start to the year attributed primarily to weather-related factors. A recovery is expected in Q2. Against the backdrop of the war in Iran and the associated uncertainty, the GDP forecast for 2026 was most recently revised to 3.6%. Following the weaker first quarter of 2026, growth is expected to pick up again over the remainder of the year, driven primarily by a revival in investment as EU-funded programmes, in particular the Recovery and Resilience Facility, are progressively implemented. A moderate decline to around 3% is expected for 2027, as the growth impetus from EU funds is likely to wane as the year progresses. On the price and monetary policy front, recent developments suggest that inflationary pressures are less pronounced than feared. The flash estimate for inflation in May stood at 3.1% year-on-year, down from April's figure of 3.2%. With progress in the ceasefire and peace talks in the Middle East, oil and gas prices have recently fallen, thereby reducing the risks to inflation and growth. At the same time, the premature withdrawal of temporary fuel tax relief may contribute to a temporary rise in inflation towards 3.5% or slightly above in the coming months, without this leading to pressure for monetary policy action in the form of interest rate rises. Overall, key interest rates are expected to remain unchanged in 2026. The labour market remains stable, whilst the zloty is trading sideways. The fiscal position remains a structural weakness, with deficits of around 7% of GDP expected for 2026–2027. Overall, the outlook for 2026 therefore remains fundamentally positive, even though geopolitical uncertainties and developments in energy prices continue to widen the forecast range.

Polish Investment Market with a Strong Start to the Year and Broad Sector Momentum

The Polish commercial property investment market got off to a strong start in 2026. According to Knight Frank and BNP, the transaction volume totalled around €1.025 billion, exceeding the figure for the same period last year by 44% – the busiest opening quarter since 2022. The main drivers of this growth were industrial and logistics properties, which accounted for 44% of the total volume, followed by retail at 31% and offices at 24%. All three of the quarter's largest individual transactions exceeded the €100 million mark, including the acquisition of the Raben sale-and-leaseback portfolio, with a total area of around 172,600 sq m, by W.P. Carey, as well as the acquisition of the Royal Wilanów office building in Warsaw by the Czech investor Wood & Company for around €106.8 million. Geographically, CEE capital continues to dominate, accounting for 44% of the total volume, led by Hungary (20%) and the Czech Republic (14%), whilst US capital contributed 32% and domestic investors are gaining in importance, accounting for 9%. Another positive sign is the market entry of a South Korean investor in the Booster Zabrze logistics property in Silesia, which points to a cautious return of Asian capital. Net prime yields remained largely stable: offices stood at 6.00–6.25%, shopping centres at 6.25–6.50% and logistics at 6.00%, although the first signs of yield compression are becoming apparent in the logistics segment. Overall, Poland thus confirms its position as one of the most liquid and attractive investment markets in the CEE region, underpinned by solid macroeconomic fundamentals, robust GDP growth of 3.6% in 2025 and rising rents in the premium segments.

MACROECONOMIC INDICATORS POLAND



Source: Erste Group Research, as of: 12.06.2026

Polish Housing Construction with Stable Completion Figures and Sharply Rising Permit Activity

Between January and May 2026, around 76,200 flats were completed in Poland, representing a slight decline of 0.5% compared with the same period last year. The majority of these were built by property developers, accounting for 45,700 units (–2.4% year-on-year), whilst private investors completed 28,700 flats (+2.7%). The total floor area of the newly completed flats amounted to around 7.0 million sq m, remaining virtually unchanged from the previous year (–0.1%), with an average flat size of 91.3 sq m. The trend in planning permissions was significantly more positive. During the same period, planning permission was granted for around 119,900 flats, an increase of 16.3% compared with the same period the previous year. Property developers saw a particularly strong rise (+21.7%), whilst private builders recorded an increase of 10.0%. The number of construction projects started remained virtually stable at around 94,700 units (–0.2%), with private investors recording growth of +2.5%, whilst property developers saw a slight decline (–2.6%). At the end of May 2026, around 857,300 flats were under construction, a moderate increase of 0.5% compared with the same month last year. Regionally, construction activity continues to be concentrated in the Mazowieckie, Małopolskie and Śląskie voivodeships, which record the highest figures for completions, planning permissions and new-build starts.

Polish Residential Property Market with Price Acceleration at the Start of the Year and Stabilisation in Q2 2026

The Polish residential property market presented a mixed picture in the first half of 2026. In Q1 2026, price growth accelerated noticeably again after three quarters of deceleration. According to Statistics Poland, transaction prices rose by 2.3% quarter-on-quarter and by 6.0% year-on-year, the strongest annual increase in five quarters. The primary market grew slightly faster than the secondary market, rising by 6.8% year-on-year compared with 5.2%. Regionally, there was a wide variation, with the strongest growth in Lubuskie (up 8.4% year-on-year) and Wielkopolskie (up 7.9% year-on-year), whilst Łódzkie was the only region to record a quarter-on-quarter decline. In Q2 2026, demand in the new-build segment cooled as a result of the Middle East conflict and higher financing costs. In the seven largest metropolitan markets, around 11,900 flats were sold, whilst fewer than 9,900 new units came onto the market. This meant that sales exceeded the supply of new-build properties for the second consecutive quarter, without resulting in a broad-based price surge, as the stock of existing properties remains high. In the secondary market, asking prices in Warsaw, Kraków and Wrocław rose only moderately year-on-year by 1.6–3.8%, whilst smaller regional centres such as Bydgoszcz and Zielona Góra recorded significantly stronger growth in some cases. The structural supply deficit remains a supportive factor, although estimates of its scale are becoming increasingly nuanced: Current expert estimates suggest a realistic shortfall of around 200,000–400,000 flats, significantly less than the frequently cited figure of 2 million units. A gradual stabilisation of the market is expected in the second half of the year, with a noticeable upturn in demand anticipated towards the end of the year at the earliest.

Spatial Planning Reform Raises the Importance of Planning Certainty in Poland's Land Market

The forthcoming reform of Polish spatial planning is noticeably shifting the value drivers in the investment land market towards planning certainty. A clearly defined permitted use, reliable approval processes and guaranteed access to infrastructure and utility connections are becoming increasingly crucial. Accordingly, transaction demand is concentrated on plots with a secure planning status, whilst sites with an unclear zoning designation or an uncertain outcome of the planning process tend to be traded at a discount and, in some cases, are temporarily withdrawn from the market. Although master plans – particularly at the draft stage – provide greater clarity in the market, they do not replace final zoning and planning permission decisions and should therefore not be equated with plots ready for development. Overall, the reform is likely to increase market transparency in the medium term. In the short term, however, it will primarily lead to greater differentiation based on legal status and development readiness.

Poland’s PBSA Market Shows a Structural Demand Overhang and Rising Quality Focus

The Polish market for student accommodation is undergoing a phase of accelerated transformation, driven by rising student numbers and growing quality requirements. Following a decline in enrolments between 2012 and 2019, student numbers have been rising again since 2020 and stood at over 1.32 million by the end of 2025, making Poland one of Europe’s largest higher education hubs. International students contribute to demand. However, at around 8%, their share is below the average of 15% in comparable European countries. At the same time, there is a pronounced shortage of supply, as there are approximately 10 students for every available bed in both the public and private sectors. The private purpose-built student accommodation (PBSA) segment remains small, accounting for 13% of the total supply, although demand for modern, well-equipped and well-connected accommodation is growing. Overall, this results in a structurally undersupplied market with supportive long-term fundamentals and corresponding development potential.

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