

Strong cities



City attractiveness, office market, HR trends

H1 2025

The office market sentiment, the investment potential of the city and the labour market.

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Krakow

Prepared
in cooperation with



CENTRUM
Business in Małopolska

Michael Page

Krakow



City area
327 sq km



Population
809 200



Population forecast
1.5m



Unemployment rate
2,2%
(05.2025, GUS)



GDP growth
14.5%
(2022, GUS)



GPD per capita
PLN 130,184
(2022, GUS)



Average salary (gross)
PLN 10.764,64
(in the business sector,
05.2025, GUS)

Investment attractiveness

Rankings

1ST
PLACE

in the business friendliness category of the fDi's European Cities and Regions of the Future 2025 ranking (among large cities)

1ST
PLACE

in the human capital and lifestyle category of the fDi's European Cities and Regions of the Future 2025 ranking (among large cities)

3RD
PLACE

overall in the fDi's European Cities and Regions of the Future 2025 ranking (among large cities)

6TH
PLACE

in the economic potential category of the fDi's European Cities and Regions of the Future 2025 ranking (among large cities)

20TH
POSITION

in the TOP 100 Super Cities list in the Tholons Global Innovation Index 2021

The title of Award in „**Municipality for 5!**” and the title of „**Golden Municipality for 5!**” in the 2023/24 edition of the ranking prepared by the Student Scientific Association of Acceleration, on behalf of the Institute of Entrepreneurship at the Warsaw School of Economics



Investment incentives

Government Investment Support
Program grants

Tax relief for R&D

Assistance under the EU Funds

Polish Investment Zone
- income tax exemption

Support for business
environment institutions

Real estate tax exemption

- incl. Business in Małopolska Centre



Quality of life

Rankings

||||| The Krakow Old Town and Wawel Hill
on the UNESCO World Heritage List

||||| European Capital of Culture 2000

||||| UNESCO City of Literature

||||| IFEA World Festival & Event City

Quality of life in numbers

CULTURE AND ENTERTAINMENT

- 400 cultural events annually
- Over 100 festivals and artistic-entertainment events annually (including the Jewish Culture Festival, Dragon Parade, Film Music Festival)
- More than 1000 monuments
- Over 100 museums and art galleries
- 16 theaters
- 12 cinemas
- Over 200 restaurants (20 awarded by the Michelin Guide in 2024)
- 15 regional products protected by EU regulations (including obwarzanek, oscypek, Krakow-style żurek, carp from Zator)

TRANSPORT

- 27 tram lines and 173 bus lines
- 4 Fast Commuter Rail lines
- 317 km of bicycle paths
- 11m passengers handled in one year by Krakow-Balice Airport

INFRASTRUCTURE

- 1.82m sq m of modern office space
- 190 hotels with 23,000 rooms (including 16 five-star hotels)
- Modern congress and entertainment infrastructure (including ICE Krakow Congress Centre with 5,200 seats, TAURON Arena Krakow – 24,000 seats)
- 2,000 business meetings annually, attended by over 300,000 people

NATURAL ENVIRONMENT

- 75 parks, 43 pocket parks
- 21 community gardens
- 30 hectares of flower meadows
- 1,590 hectares of forests
- 80% of the city's residents have 5-minute access to green spaces



Bike paths
317 km



Green areas
50,4%
of the cities area

Facts & Figures



Number of students
132,000
(2023/2024, GUS)



Number of graduates
32,000
(2023/2024, GUS)



Number of universities
23



Airport - distance to the city centre
11 km



Airport - number of passengers
11m (2024)



BSS sector - number of centres
312
(ABSL 2025)



BSS sector - number of employed
107,800
(ABSL 2025)

RATING
AGENCY

S&P

RATING

A- (stable)

Krakow

H1 2025



Existing stock
↑ 1.83m sq m



Supply under construction
↑ 64,000 sq m



Vacancy rate
↓ 17.3%



New supply
↓ 0 sq m



Take-up
↑ 172,000 sq m

Coworking operators in Krakow

At Office | Business Link |
 Chilliflex | CitySpace |
 Regus | Loftmill | Cluster Offices

Standard lease terms in new buildings



Service charge
 PLN/sq m/month
16.00-29.00



Rent-free period
1-1.75 month
 for each contract year



Fit-out budget
 EUR/sq m
380.00-500.00

► Krakow remains the second-largest office market in Poland, following Warsaw. The city's stock of modern office space has reached 1.83 million sq m, accounting for over 14% of the country's total supply. Take-up continues to perform strongly and surged to a record-breaking 172,000 sq m in the first half of 2025, with nearly 123,000 sq m leased in Q2 alone. Sustained tenant interest, coupled with limited new supply, is driving a continued decline in the vacancy rate, which stood at 17.3% at the end of Q2 2025.

SUPPLY

The total office stock in Krakow reached 1.83 million sq m, maintaining the city's leading position among Poland's regional markets. No new buildings were delivered in the first half of the year. However, over 64,000 sq m of modern office space remains under construction scheduled for completion by the end of 2027. The largest ongoing development is Tischnera Green Park, a 24,000 sq m project led by Stalprodukt.

TAKE-UP

In H1 2025, leasing activity totalled 172,000 sq m, with almost 123,000 sq m transacted in Q2 alone what is the highest quarterly take-up ever recorded on the Krakow office market. A significant majority of leases signed were renewals, which accounted for a record 71% of total leasing volume. New leases comprised 22%, while expansions remained stable at 7%.

Among the fifteen largest lease transactions in Krakow in 2025, fourteen were renewals of existing contracts. Notable deals included Aptiv in Enterprise Park A (14,300 sq m), Jacobs in its Krakow headquarters (11,000 sq m) and Euroclear Bank in Bonarka for Business (10,200 sq m).

Tenant preferences are clearly shifting toward high-standard buildings, which is reflected in the growing demand for sustainable and environmentally certified properties. In H1 2025, 85% of total leasing volume involved green-certified buildings, with 41% of this space located in properties holding the highest-level certifications – including BREEAM Excellent and Outstanding, as well as LEED Platinum.

VACANCY RATE

The vacancy rate in Krakow has been consistently declining for nearly two years, reaching 17.3% at the end of Q2 2025. This represents a drop of 0.3 pp compared to the previous quarter and 2.9 pp y-o-y. Given the strong demand and the limited pipeline of new projects scheduled for delivery in 2025, further reductions in the vacancy rate are expected in the coming quarters.

RENTS

As of the end of Q2 2025, headline rents in Krakow remained stable, typically ranging from EUR 10 to 18 per sq m/month. In prime, prestigious buildings, rates may exceed the upper end of this range. Service charges also remained steady, generally falling between PLN 16 and 29 per sq m/month.

Office market in Poland

H1 2025



SZCZECIN

187,000 sq m
7.3%
EUR 10-14.5

POZNAŃ

678,000 sq m
14.8%
EUR 11.5-16

WROCŁAW

1.36m sq m
20.5%
EUR 11-16

KATOWICE

761,000 sq m
22.7%
EUR 10-14.5

TRICITY

1.07m sq m
12.7%
EUR 11-16

WARSAW

6.33m sq m
10.8%
EUR 10-28

ŁÓDŹ

643,000 sq m
21.6%
EUR 9-15

LUBLIN

221,000 sq m
10.4%
EUR 9-13

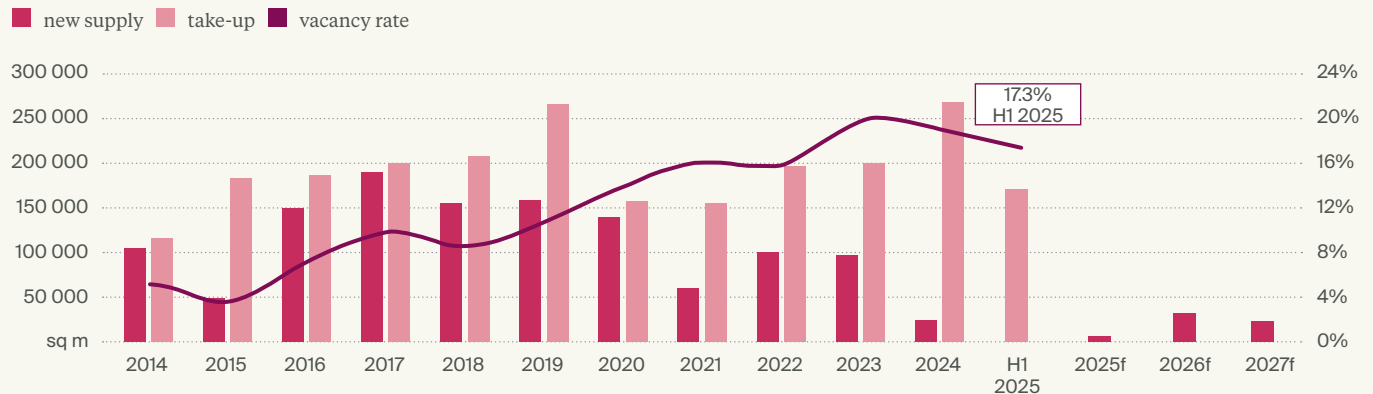
KRAKOW

1.83m sq m
17.3%
EUR 10-18

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

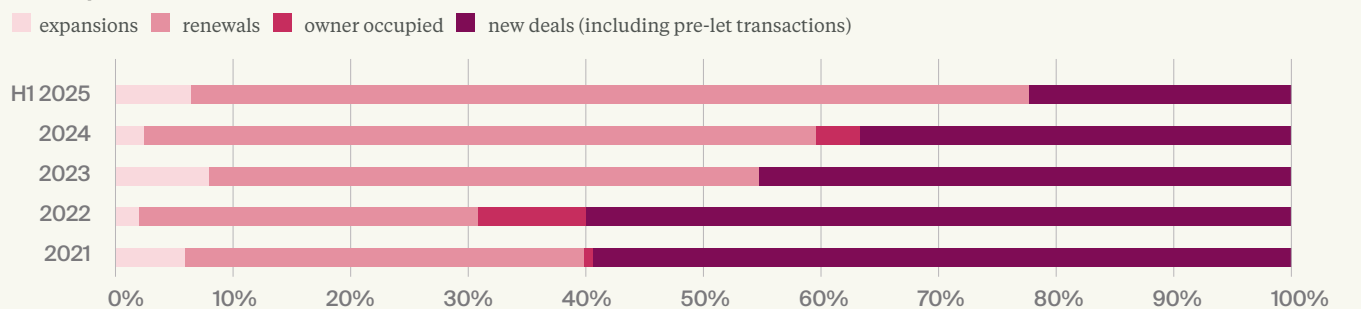
Source: Knight Frank

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



Source: Knight Frank

Take-up structure in Krakow



Source: Knight Frank

Pay Transparency: Realities and Challenges of the Labor Market

► Pay transparency was intended to be a breakthrough in the labor market – a tool for building trust, promoting equality, and enhancing modern employer branding. According to the EU directive, starting in December 2025, Polish companies will be required to disclose salaries or salary ranges in job advertisements, report on the gender pay gap, and ensure employees have the right to access information about salaries for comparable positions.

CLASH BETWEEN IDEA AND PRACTICE

The way the directive is set to be implemented in Poland does not fully reflect all of its provisions, leaving interpretative gaps and ambiguities regarding the scope of employers' obligations and methods of enforcement. Publishing salary ranges is only the beginning – what truly matters will be job evaluation, a

"Nearly 4 in 10 women believe that pay disparities still exist within their companies for similar positions."

coherent pay policy, and the readiness to answer tough questions from employees.

In practice, some companies – as seen with previous directives – are not planning to actively implement the new requirements. Instead of investing in reporting systems and transparent pay structures, they prefer to risk potential fines, assuming that the likelihood of inspections and sanctions is relatively low and that the cost of compliance outweighs possible penalties.

EXPECTATIONS VS. CHALLENGES

According to the Michael Page Talent

Trends 2025 report, candidates prioritize clear compensation policies, flexibility, and alignment with organizational values. For younger generations, pay transparency is becoming the norm, and companies that embrace it gain a competitive advantage in attracting top talent. At the same time, nearly 4 in 10 women believe that pay disparities persist in their companies for similar roles, and nearly one in three is dissatisfied with their employer's efforts in this area¹. Poor implementation of the regulations may lead to disappointment among both job candidates and current employees and further frustration over the lack of genuine equality and transparency.

Amid these challenges, it's worth

"53% of active real estate agents are women."

highlighting industries where women have played a significant role for years. A good example is the real estate sector, which in Poland stands out with a high percentage of female agents. According to data from Otodom, 53% of active real estate agents are women². Their dominance in the profession has persisted for over 20 years, thanks in part to valued soft skills and alignment with client expectations. Recent analyses show that the real

¹ Talent Trends 2025, Michael Page, 26.06.2024, <https://www.michaelpage.pl/talent-trends>, dostęp 14 lipca 2025.





"Starting in December 2025, an EU directive will require companies to disclose salary levels or pay ranges in job advertisements."

estate sector also demonstrates a higher level of pay equity than many other industries. Gender pay gaps are minimal here, mainly due to transparent compensation practices and a commission-based pay structure.

Growing awareness in the industry along with mentoring, training, and networking initiatives—is providing women with increasing support for career development, resulting in more frequent promotions. While commercial real estate remains male-dominated, the share of women in leadership and management positions is steadily rising.

At the same time, broader labor market disparities remain significant. In 2023, the employment rate for women was nearly 15 percentage points lower than for men. The gender pay gap and unequal access to promotions are also major challenges—issues that pay transparency was meant to address. However, incomplete implementation

of the regulations may limit their impact.

DEMOGRAPHIC DECLINE – INCREASINGLY DIFFICULT TO ATTRACT EMPLOYEES

The Polish labor market is currently facing an unprecedented demographic challenge. According to forecasts, by 2035 the number of workers in Poland will decrease by as much as 2.1 million over 12% compared to the current workforce³. In this context, not only attracting new talent but also better activating women in the labor market becomes essential. Labor shortages are already evident in key specializations, and low birth rates combined with an aging population will only deepen the problem. This points to growing competition for talent, as well as the

"According to forecasts, by 2035, the number of workers in Poland is expected to decrease by more than 12% compared to the current working population."

need to invest in employer branding and modern recruitment strategies. The Pay Transparency Directive has

the potential to revolutionize the Polish labor market. However, realizing this potential depends on effective and consistent implementation—something still hindered by imperfect legislation and reluctance among some companies to embrace real change. These challenges also apply to the real estate sector, which despite a high proportion of women—must, like other industries, face demographic pressures and growing demands to build a genuine culture of trust and equality.

The future belongs to organizations that treat transparency not as an obligation, but as an opportunity for growth and competitive advantage.

² Data Otodom, Otodom, 05.02.2021, <https://www.otodom.pl/wiadomosci/profesjonalisci/posrednicy/kim-sa-polscy-posrednicy-nieruchomosci-poznaj-dane>, access 14 lipca 2025.

³ The consequences of demographic changes for labour supply in Poland, Polish Economic Institute, 14.10.2024, <https://pie.net.pl/przy-obecnym-trendach-demograficznych-do-2035-r-zatrudnienie-w-polsce-moze-spasc-o-ponad-12-proc/>, access 14 lipca 2025.

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Report
library:



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