

# Let the good times roll

Record highs and strong demand continue to boost the real estate sector in Poland.

Poland's real estate market does not operate in a vacuum – various sectors and factors contribute to its position as a dynamic place for investment. At the 30th edition of MIPIM, the world's leading property event, Poland Today led the Polish conference content for the fifth year running. Politicians, investors, prop-tech gurus and developers met in Cannes to discuss opportunities for companies and cities in Poland. ●



## IN HIGH DEMAND

2018 was the best year in the history of the Polish Investment and Trade Agency (PAIH), paralleled by a real estate market which also witnessed record highs. During the first panel, hosted by PAIH and moderated by Richard Stephens, Founder and Editor of Poland Today, market and government leaders sought to answer the two all-important questions: why was this so, and will it continue?



**Tadeusz Kościński**, Undersecretary of State at the Ministry of Entrepreneurship and Technology (now Deputy Finance Minister):

*Poles are returning from abroad and realising that it's a very vibrant economy with lots of opportunities.*



**Krzysztof Senger**, President of the Polish Investment and Trade Agency (PAIH):

*With over €2.1bn of investment in manufacturing and the business service sector, 2018 was a record year for Poland in attracting foreign investment.*



**Monika Rajska-Wolińska**, Managing Partner, Colliers International:

*Investors are also turning their attention to regional markets such as Kraków, Wrocław, Lublin and Gdańsk where they find a talent pool of well-educated people who speak different languages, a good quality of life and sophisticated services.*



**Marcin Juszczyk**, Member of the Management Board at Capital Park:

*It's a great privilege to build a project like Art Norblin, but it's also a big responsibility because it's an important part of a dynamic district in Warsaw.*



### Above:

- Richard Stephens, Founder & Editor, Poland Today
- Tadeusz Kościński, Undersecretary of State at the Ministry of Entrepreneurship and Technology (now Deputy Finance Minister)
- Krzysztof Senger, President of the Polish Investment and Trade Agency
- Tobias Hemmann, CREM Special Projects & Asia Pacific, Daimler
- Monika Rajska-Wolińska, Managing Partner, Colliers International
- Marcin Juszczyk, Member of the Management Board at Capital Park

## ROOM FOR MORE

The logistics sector is experiencing record highs in the CEE region, but along with the opportunities, challenges lie ahead. During the European logistics investment panel at MIPIM, moderated by the omni-present Richard Betts and hosted by Real Asset Media and Poland Today, an assortment of big market beasts from across the continent discussed the massive and relentless changes that the logistics sector is undergoing and what this means for investors, developers, service providers and end-users.



**Frank Schuhholz**, CEO of FMS Advisors and a global expert on logistics:

*China's Belt & Road Initiative (BRI) will cause major changes to the European logistics landscape but many questions still surround the potential routes and shape of the initiative.*



**Robert Dobrzycki**, CEO, Panattoni Europe:

*It's been another record-breaking year in Europe in terms of volumes and net absorption. Vacancy rates are going down, but construction costs continue to rise and land is becoming more and more scarce.*



**Joseph Ghazal**, Managing Director and Chief Investment Officer, Prologis Europe:

*We see the momentum really continuing and our investors are actually increasing their allocation to logistics real estate. If anything, all of them are under-allocated in the logistics sector.*



photos: MIPIM, Monika Zieliński (Poland Today)



**Raimund Paetzmann**, Vice President Corporate Real Estate, Zalando:

*Fast reaction times are important in the fashion sector and therefore producing in China is not always the best option. The country will always play an important role, but there are other countries closer to Europe with factories that are even closer to the final customer, so that's also a trend. Not everything is coming from China.*



**Kevin Mofid**, Director of Commercial Research, Savills:

*Online sales are definitely a driver for logistics, but they're not the only one – most of our leasing is done for non-online customers and for typical regional big-box customers that we shouldn't forget.*



**Bartek Tulejko**, Partner, M4 Real Estate:

*Poland is the place for regional distribution which isn't focused on domestic consumption but more on customers in Germany primarily, but this is going to change.*



**Renata Osiecka**, Managing Partner, AXI IMMO Group:

*In terms of interest from the East, Asian funds have been very active in Poland. Although Asian occupiers are not very visible, more are expected to arrive in the next couple of years.*



**Dr. Wulf Meinel**, CEO & Managing Director, Frasers Property Europe:

*There's quite an attractive market for newly created products, whereas there is not much rental increase for existing or outdated stock unless it is located in very important areas. However, the industry still faces challenges such as scarcity of land, permit delays and lags in the political system.*



**Left:** Frank Schuhholz, CEO of FMS Advisors and a global expert on logistics



## WELCOME TO WARSAW

During an on-stage interview with Richard Stephens, the Mayor of Warsaw, Rafał Trzaskowski, said the city is now focused on attracting smarter investments that will focus on sustainability and improving the quality of life, only adding to the allure of the capital as one of the most dynamic cities in Europe.



**Rafał Trzaskowski**, Mayor of Warsaw:

*Developers and city officials seem to be on the same page when it comes to focusing on how people spend their time, creating green spaces, adopting eco-friendly practices and improving the overall standard of living. We've got incredibly talented people with wonderful ideas, lots of startups, and a lot of companies that want to invest in technology and smart solutions for cities. We're investing in these people, which is fantastic.*

## LOOK NO FURTHER

Tomasz Trzósło, Managing Director CEE at JLL, presented a snapshot of the dramatic real estate development changes in Polish cities over the last 10 years. Over the decade, a number of regional cities, including Kraków and Wrocław, have become attractive and important spots on the European office market - in fact no other countries come close to the pace of office development in Polish cities.



**Tomasz Trzósło**,  
Managing Director CEE, JLL:

*Quality of life, education, culture and transport connectivity have all improved immeasurably. This has been possible because of the growth of employment, in turn driven by investors - especially from the business services sector - coming to Poland and creating a lot of jobs. Two cities which have done a fantastic job in recreating their city centres are Łódź and Katowice.*

**Left:**  
Richard Stephens,  
Founder & Editor,  
opens Poland  
Today's sessions  
at MIPIM 2019



## WHEN TECH TAKES OVER

There's no stopping Poland's large, dynamic and independent-minded cities. As business continues to boom and investments pour in, experts from various sectors discussed how these cities are handling rapid growth, advances in proptech, the sharing economy and social, economic, transport and infrastructure changes, in a panel moderated by Julia Arlt, Global Digital Real Estate Leader, PwC.



**Nicklas Lindberg**, CEO, Echo Investment:

*Technology is important, but people still need places to meet, socialise and integrate, because technology is taking over parts of our lives.*



**Jacek Wachowicz**, CEO, Immoel Poland:

*A lot of companies have been relocating to Poland for various reasons, be it Brexit or the allure of its skilled, dynamic workforce, while domestic companies have also been expanding.*



**Aaron Block**, Co-Founder & Managing Director, MetaProp NYC:

*A lot of companies look at Poland for outsourcing tech and there are many opportunities for implementing innovative solutions in new buildings, compared to Western Europe where the infrastructure has already been built.*



**Roelof Opperman**, Principal,  
Fifth Wall Ventures:

*There are a number of companies and funds that focus on smart cities, but the challenge from the VC perspective is finding investments that turn into good businesses with high returns - and that doesn't always translate into strategic ROI for the city. That's where corporate VCs can step in.*



**Alina Prawdzik**, Managing Partner,  
Innogy Innovation Hub:

*A lot of technology actually improves costs significantly on things like energy and occupancy. So it doesn't have to cost extra. It actually can deliver savings. And there are technologies now that can improve air quality significantly, which is an important trend.*



**Sean Tompkins**, CEO, RICS:

*How do we really think about smart in a way which is about people? It's about cities where people really want to live and where people are going to be happy. It's about cities that are going to create engagement - that are sustainable, prosperous and inclusive.*



**Adam Pustelnik**, former Director  
of Investor Service and International  
Cooperation Bureau, Łódź:

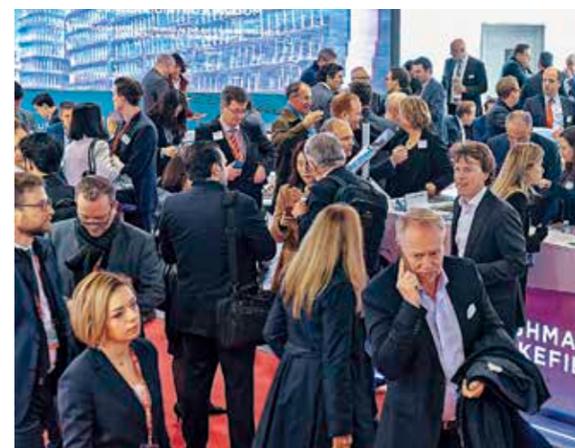
*It's important to attract talent and create a smart city that's people-centric, but it comes at a cost. Łódź spent approximately €1bn of EU funding on upgrades and improvements to the city centre.*

**Right:** Warsaw attracted investors in Cannes for the 21st time and this year, the City was accompanied by 13 partners, who presented their products and services.



**Above:**

- Aaron Block, Co-Founder & Managing Director, MetaProp NYC
- Jacek Wachowicz, CEO, Immoel Poland
- Nicklas Lindberg, CEO, Echo Investment
- Roelof Opperman, Principal, Fifth Wall Ventures
- Sean Tompkins, CEO, RICS
- Alina Prawdzik, Managing Partner, Innogy Innovation Hub
- Adam Pustelnik, former Director of Investor Service and International Cooperation Bureau, Łódź



**Above:** Tomasz Trzósło, Managing Director CEE, JLL

**Left:** Rafał Trzaskowski, Mayor of Warsaw and Richard Stephens, Poland Today



photos: MIPIM, Monica Zieliński (Poland Today)