Walter Herz

About Poland

2H 2012

Walter Herz

Poland

Country statistics	
Population (thousands)	38,212
Surface area (km^2)	313
Density (per km^2)	122
Loacal currency	Zloty
Number of voivodoships	16
GDP (2011)	1 524 678 mln PLN
Inflation	0,048
Taxes	CIT—19%
	PIT—18%, 32%
	VAT 23%, 8%, 5%, 0%
Average monthly wage in 1H 2012	3571,45 PLN
Exchange rate to EUR (2011)	4,12 PLN/EUR

Major cities	
City	Population (2011)
Warsaw	1 711 466,00
Kraków	756 183,00
Łódź	737 098,00
Wrocław	632 996,00
Poznań	551 627,00
Tri-City	742 432,00

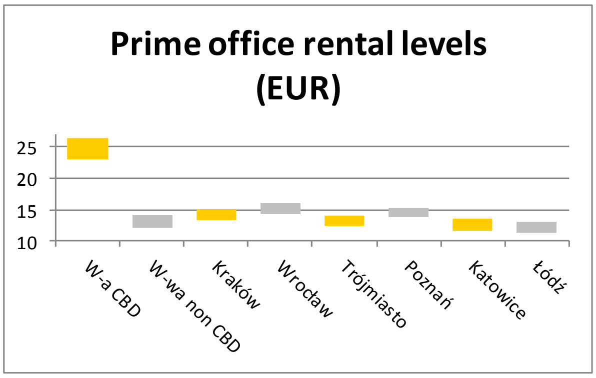
Source: GUS

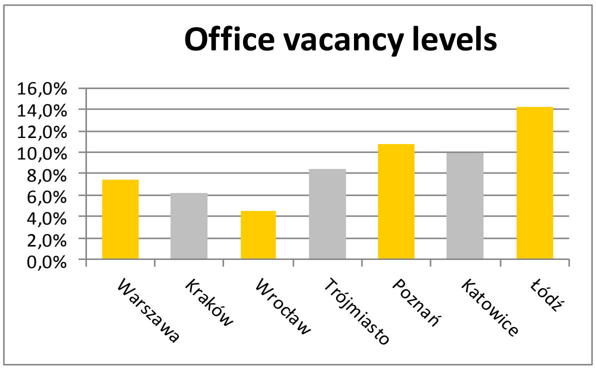
Office market

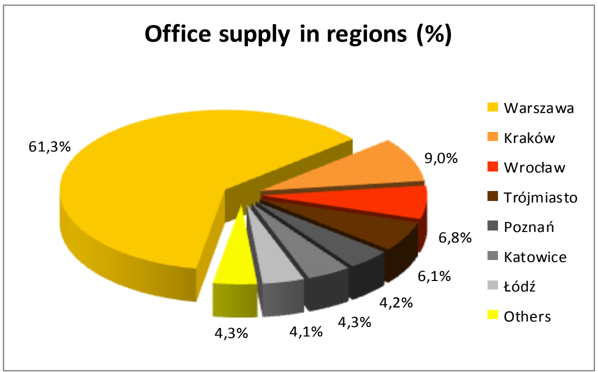
The total modern office stock in the 1H 2012 in Poland amounted to 6,03 mln m^2. Asking rents varied depending on location and achieved a level of 23-26 €/m^2/month in the Central Business District in Warsaw and a level of 11-13 €/m^2/month in Lodz. In Warsaw's CBD service charges now fetch between 4-6,5 €/m^2/month, whereas outside the CBD the service charges are 3,5-5,75 €/m^2/. Although the Warsaw office market continues to see high levels of occupier demand, growing demand for modern office space is easily visible in all major cities of Poland and in new developing markets. Higher demand amongst newcomers especially from the BPO/SSC sectors as well as cost optimisation of actual market participants, keep vacancy rate constant for a few quarters which easily attracts investors. During the 1H of 2012 approximately 7,5% of the modern office stock in Warsaw remained vacant. Among the regional cities, Kraków gained the leading position in terms of the volume of new supply, with some 540 000 $m^2$of new office space created. The Tricity followed with around 366 000 m^2 of new supply. In Poznań and Lodz, the size of new supply was estimated at 254 000 m^2 and 247 000 m^2 respectively.

Forecast

Analysis indicates that supply in the 2H 2012 and the 1H 2013 of modern office space will be at the highest level that it has been for the past two years. This may result in an increased availability of office space in some cities as well as downward pressure on rents in cities with a noticeable oversupply of office space. Cities such as Radom, Rzeszów, Kielce are changing their employment structure in an attempt to end the domination of the nine major Polish cities by attracting potential tenants and investors by encouraging with lower labour costs and certain tax advantages.







Supply of office space (m2)	
Warszawa	3 694 850,00
Kraków	539 700,00
Wrocław	407 750,00
Trójmiasto	365 966,67
Poznań	253 900,00
Katowice	259 833,33
Łódź	247 300,00

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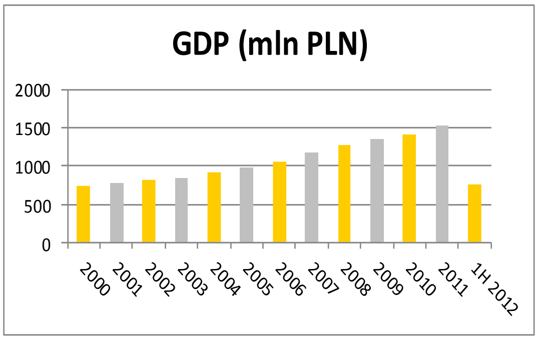
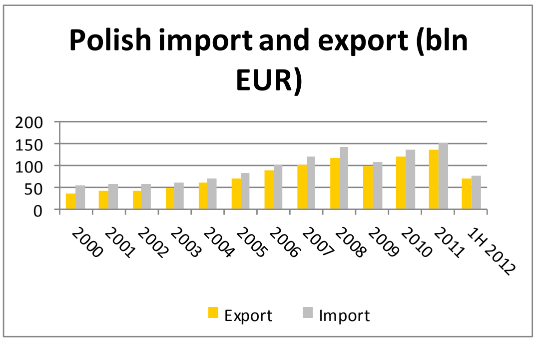
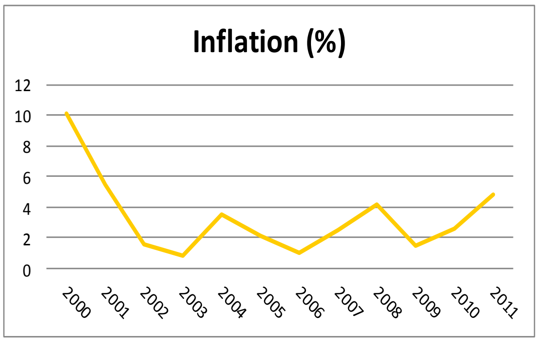
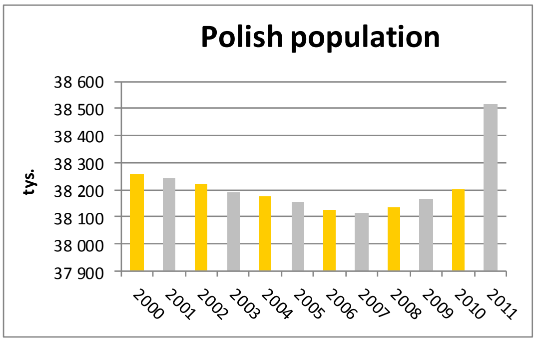
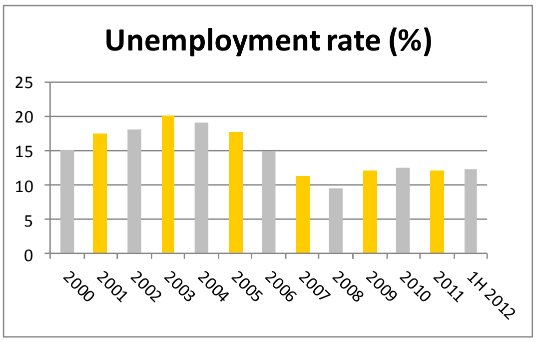
Economic situation











General Overwiev

Poland, with a population of over 38 million inhabitants, is the largest member of the European Union among the Central and Eastern European countries. In terms of GDP, Poland is the 7th biggest economy in the EU and the 20th biggest economy in the world (2010 GDP in current prices, USD-denominated, IMF data). According to GUS, the estimate gross domestic product (GDP) increased by 3.5% in the Q1 2012.

Poland has coped with the effects of the global crisis much better than other countries. An encouraging signal in the Polish economy is the growing propensity to start new investment projects. Paradoxically, the overall image of the Polish economy improved as a result of the global financial crisis and non-economically connected issues with European Football Championships. The main reason is that Poland was among the few developed countries that did not slide into recession. According to OECD, annual GDP growth will diminish from 4.3% in 2011 to 3.0% in 2012 and 2.7% in 2013, furthermore OECD is blaming the Polish slowdown on the global deceleration and the planned fiscal retrenchment. The Monetary Policy Council predicts that the Polish economy will achieve inflation target band of 2.5+/-1%. The expected annual average inflation this year is 3.3% and 2.5% next year.

Since 2002 the country's population has grown by 282k inhabitants or 0.7%. The unemployment rate in June 2012 amounted to 10.0%, having grown by 0.1 pp m/m , remaining the same for the third month in a row. The unemployment figure in Poland is slightly lower than the average for the entire EU (10.4%) and considerably lower than the average figure for the Eurozone (11.2%).

In 2011 exports grew faster than imports, according to GUS data. PLN-denominated exports in current prices were higher by 15.3% compared with 2010 and amounted to PLN 554.8 bln. Imports, in turn, increased y/y by 14.6%, reaching the level of 614.4 bln PLN. Thus, the foreign trade exchange ended the year with a deficit of 59.6 bln PLN, compared with a deficit of 55.1 bln PLN in 2010.

Source: Ministry of Treasury, OECD,

Transaction market volume

Capital Market

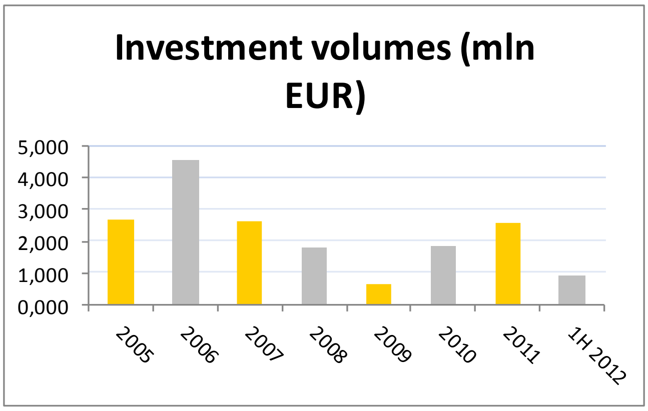
Overview

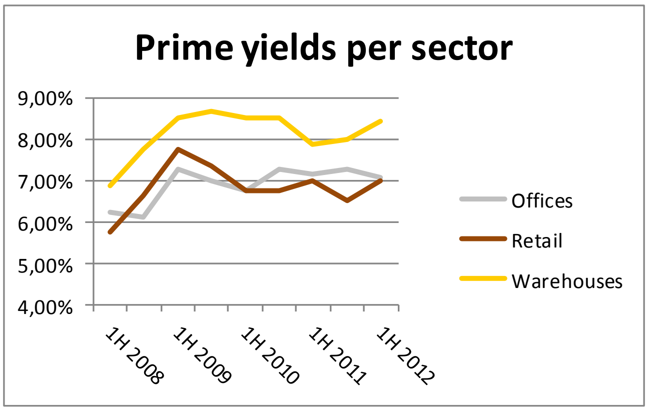
The investment market of commercial real estate represent a stable and responsible situation. Despite investor sentiment turning slightly more risk averse, activity appears to have been helped by the positive economic climate at the start of the year. The H1 2012 recorded € 907 million worth of transactions across all sectors in Poland. The retail sector accounted for 42% of all deals, with offices taking 45% and warehouses 13%. Despite the lower volume of transactions it has been confirmed that Poland is still the major investment market in the CEE region.

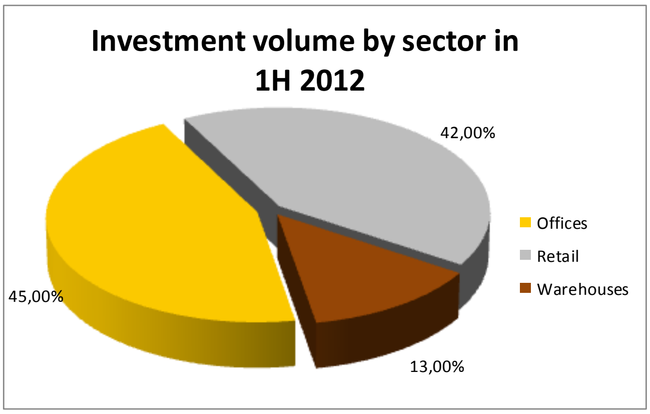
High yields and the lowest risk in Central Eastern Europe drive investors to Poland.

Actual position of Polish capital markets is proven by the strong exchange rate, large internal purchasing power and yields of 7% available for retail, 7% for office and 8,5% for industrial areas. Attractive prime rates attract potential buyers who decide to close transactions despite the fact that in general they are now more time consuming.

Further changes in the market prices of commercial properties in Poland will depend largely on the macroeconomic situation and the banks financing as well as on the general situation in the macro-region.







Building	Price (€M)	Buyer	Seller
Złote Tarasy	475	AXA RE	ING RE Development
Alfa Olsztyn	84	Rockspring	Arka BZ WBK
Harmony Office Centre II Warsaw	54	Azory	NSB
Galeria Tęcza Kalisz	37	Blackstone	Rank Progress
Prima Court Warsaw	11,5	Griffin	DPGS

Lease Terms in Poland

Lease Terms in Poland

The provisions of the lease agreement can be found in the Civil Code (Book Three: Liabilities, Title XVII: Renting and leasing, Section I: Hire) in Articles 659 to 692nd

Lease lenghts

Typical leases used in Poland are 3, 5 and 10 years depending on the sector, type and quality of commercial space. Since the change in legislation, longer LA can be signed especially for Build to Suit (BTS) projects.

Rent review

According to European standards rents are being paid in Euro and are indexed annually based on CPI(Consumer Price Index) or by inflation index which is published by the Polish Central Statistical Office (GUS) for rent payments in PLN—Polish Zloty

Guarantee and the Security Deposit

Landlords and banks usually require security deposits at the value of 2 to 3 months of rent (in individual circumstances 6 months may be required) from the tenants. Sometimes landlords accept parental company guarantees if the lease is a subsidiary of a well-known enterprise. All deposits and bank guarantees require annual indexation.

Rights to Renewal

Leases will terminate at the date of expiry. All agreements require handwritten form and contract clauses must be applicable to the individual lessee. LA may have automatic renewal if included within the contract.

Terminating the Contract

Options of terminating the contract are negotiable. Tenants should be aware of notice periods as options will expire and become null and void if notice is not delivered on time. The requirements of terminating a contract depend on the current market situation and general conditions of the lease agreement.

Tenant and Landlord Obligations

All landlord obligations are outlined in Polish Law . Usually a landlord is responsible for all major inspections and maintenance. The tenant covers any service charges including tax payments, in return for the facilities provided.

Subletting

According to the Polish Civil Code, subletting is only authorised if the lease agreement provides adequate permission and the landlord agrees in writing. The third party and the tenant are both responsible for the lease agreement and it does not change any provisions.

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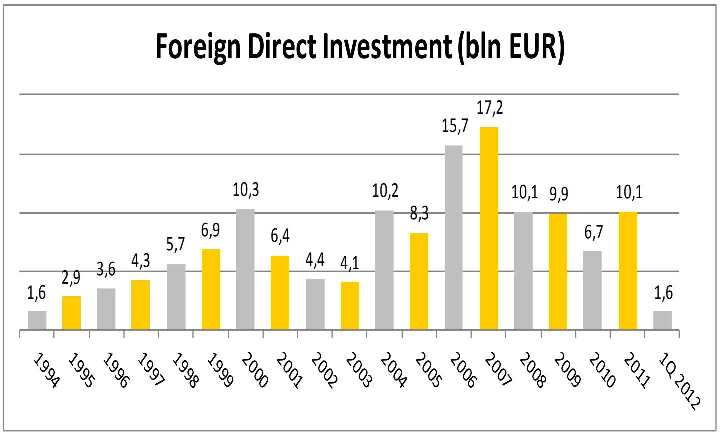
Foreign Direct Investment structure

General Overwiev

In 2011, inflow of the foreign direct investment (FDI) in Poland amounted to EUR 10 904 million representing a 63% increase in comparison to the previous year. In 2010, FDI was equal to EUR 6 686 million of which 85.3% came from 27 countries of the European Union (EU27) and the remaining 984 million Euro (14.7%) were from other countries. The largest in terms of value of investments inflows derived from the automotive sector, which provided employment for 1 276 people. The largest sector in terms of number of new projects was the BPO / SSC sector where 11 projects have been completed, creating 2,490 jobs. In 2011 and the 1H 2012 the main source of capital inflow and new vacancies were caused by investors from Western Europe. BPO/SSC opened new grandiose centers in Szczecin by Metro Group, Bayer in Tri-City, Metsä in Gdansk, Heineken and Amersport in Krakow. United Oilfield Services invested in Lodz's Special Economic Zone, Invest Bistro in Lublin and the five companies in the Mielec Special Economic Zone, compounding to around 98 million PLN.

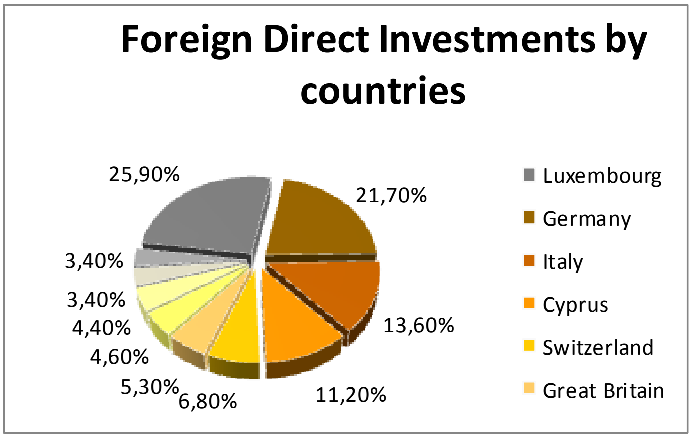
Source: PAIZ, www.paiz.gov.pl



The most important investment projects accomplished in 2011					
Company	**Country of registration**	**Industy**	**Investment value (EUR million)**	**Number of jobs**	**Place of investment**
Pilkington	Japonia	automotive	96	400	Chmielów
3M	USA	chemicals	42	250	Wrocław
TRW	USA	automotive	40	295	Czechowice Dziedzice i Bielsko-Biała
Nifco	Korea Płd.	automotive	15,00	360	Żory
CSM Global	Holandia	FMCG	15	200	Nowa Sól

Sector	No. of projects	Value (mln EUR)	Jobs
automotive	8	595,35	1276
food	5	93,5	662
chemical	4	72	400
elektronics	5	70	2610
BPO	11	12,69	2490

Foreign direct investments in Poland in 2010 by country		
Country	**Value mln EUR**	**% of total**
Luxembourg	1 945	25,90%
Germany	1 627	21,70%
Italy	1 020	13,60%
Cyprus	843	11,20%
Switzerland	510	6,80%
Great Britain	396	5,30%
Sweden	343	4,60%
Austria	327	4,40%
Spain	252	3,40%
Portugal	252	3,40%



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Transport in Poland

Airports

Existing airports

The system of civil airports in Poland, used to transport passengers, includes 12 airports - the main airport in the capital and 11 regional airports. Poland's most capacious airport, the Frederic Chopin airport in Warsaw serviced 9.32 million passengers in 2011, which accounts for 42.3% of air journeys in Poland. However, the relative role of this airport is decreasing with the growing popularity of regional airports. International airports in Warsaw, Krakow, Gdansk, Katowice, Poznan, Wroclaw, Szczecin and Lodz provide direct flight connections to 55 countries worldwide. Due to that, the majority of destinations in Europe are reachable within a two hours journey.

Road Transport

Road transport in Poland develops conjointly with a growing network of highways. In June 2012, 1,224.2 km of highways and 957.8 km of expressways have been opened. Thanks to support of the European Union, the networks of motorways and expressways are being expanded at fast pace. An additional factor that encouraged the government to accelerate the progress in road works was the granting of permission to host the UEFA EURO championships 2012 in Poland along with Ukraine.

Currently there are three major motorways (A1, A2 and A4) across the entire country. By the end of 2012, 8 of the 10 largest Polish cities (Gdansk, Poznan, Wroclaw, Lodz, Warsaw, Krakow, Katowice, Szczecin) are planned to be connected to the highway network and the rest of Europe.

Rail transport

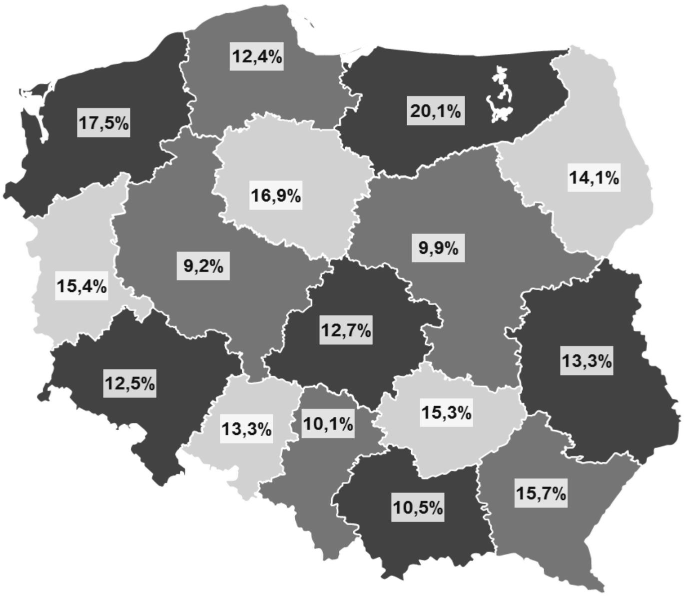
Poland has one of the highest densities of rail-track in the world. The total distance covered by the rail network is approximately 20 000 km, with almost 60% electrified. The advantage of developed domestic rail tracks is the existing broad rail connections, which allow fast and safe transportation of goods to Eastern European countries.

The most dense rail network is located in the south-western provinces of Poland, which is related to the industrial development and the historical situation in Poland. Currently the most occupied rail routes connect urban cities, where the express trains such as Intercity and Eurocity run. The routes include Krakow-Warsaw, Krakow-Gdansk, Warsaw-Poznan, Katowice- Warsaw.

Poland systematically adapts its rail infrastructure to the needs of container transport. This mean of transport is being promoted by the European Union as an alternative to long distance road haulage. Main road-rail terminals are located in Gliwice. Other container terminals are located in Gdansk, Warsaw, Lodz, Sosnowiec, Krakow, Krzeslawice and Wroclaw.

Special economic zones

Special Economic Zones were created to achieve great progress in both absorbing foreign capital and accelerating the economic development. SEZ in many cases provide investors with completely prepared industrial, engineering, transport and customs infrastructure as well as with a number of tax incentives and customs privileges. The permission to start new businesses in SEZ is granted by the management boards of each zone, whom also assist in the investment process, e.g. through the easing of contacts with the local authorities, or with central administration and in questions relating to the purchase of land for investments.



Unemployment in Poland

Investors who decide to invest more than 100,000 EUR can obtain different levels of privileges such as

- tax exemption (CIT or PIT)
- a site fully prepared for development by the investor at a competitive price
- free assistance in dealing with formalities in connection with the investment
- exemption from property tax (on the territory of certain communes))

The maximum permitted level of aid in each Polish region are :

- 50% - in areas belonging to the provinces (województwa) of: Kujawy-Pomerania, Lublin, Lubuskie, Łódź, Malopolska, Opole, Podkarpacie, Podlasie, Warmia - Masuria, Świętokrzyskie;
- 40% - in the area belonging to the provinces (województwa) of: Lower Silesia, Pomerania, Silesia, West Pomerania, Wielkopolska, and also between the dates of 1st January 2007 until 31st December 2010 in the area of the Mazovia province;
- 30% - in the area belonging to the Mazovia province

Special Economic Zones		
Name	**Website**	**Size in ha**
Kamienna Góra SEZ	www.ssemp.pl	367,14
Katowice SEZ	www.ksse.com.pl	1929,15
Kostrzyn-Slubice SEZ	www.kssse.pl	1454,47
Krakow Technology Park SEZ	www.sse.krakow.pl	558,72
Legnica SEZ	www.lsse.eu	1041,84
Lodz SEZ	www.sse.lodz.pl	1276,63
Euro-Park Mielec SEZ	www.europark.com.pl	1246
Pomeranian SEZ	www.strefa.gda.pl	1314,63
Słupsk SEZ	www.sse.slupsk.pl	401,09
Starachowice SEZ	www.sse.com.pl	612,91
Suwalki SEZ	www.ssse.com.pl	342,77
Tarnobrzeg SEZ Euro-Park Wisłosan	www.tsse.pl	1587,78
Wałbrzych SEZ Invest-Park	www.invest-park.com.pl	2073,72
Warmia-Mazury SEZ	www.wmsse.com.pl	838,94
	TOTAL	**15045,79**

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WARSZAWA

Market Relevance

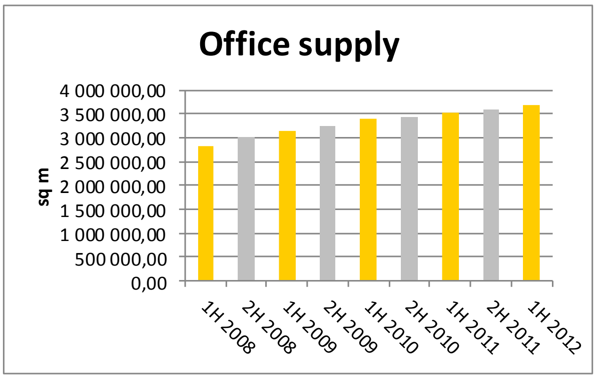
Warsaw is the capital of Poland and the largest city, it contributes about 12% of the country's total income. Including its suburban area it has around 3 mln inhabitants and supply of modern office space on the level of 3,7 mln sq.m (2012) and about 0,6 mln sq.m of pipelines.

General Overview

Demand for office space in Warsaw continues to accelerate due to a number of factors positively impacting the overall health of the market.

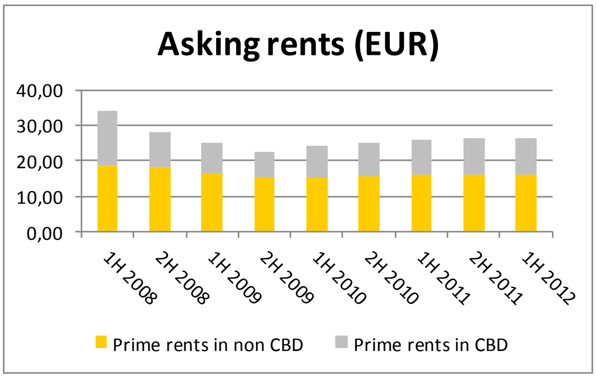
Rents

In 2012 rents in Warsaw remained relatively stable. City center prime asking rents achieved the level of EUR 23-26 per sq m per month while non central locations EUR 14-16 per sq m per month. Despite the fact that rents should not change in 2H 2012 the situation may change in 2013, due to the greater supply. Growing prices of electricity and other media do not significantly impact the level of service charges.



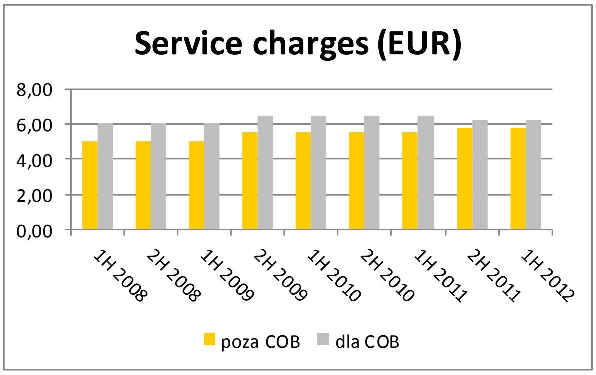
Vacancy & Availability

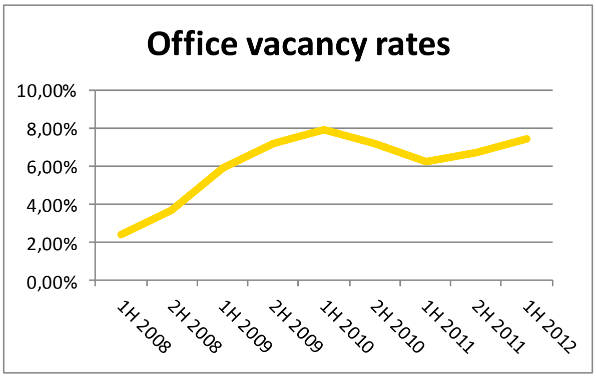
- Warsaw's overall office vacancy rate is below 8% which represents a slight growth in comparison to 1H 2011. Additionally, the market is seeing a stable vacancy rate.
- Office vacancy rate is expected to accelerate due to the growth in supply of modern office space in 2H 2012 and 2013



Trends

We expect a significant spread between asking and taking base rents which will benefit tenants working with professional agents.





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KRAKOW

Market Relevance

Krakow is one of the most important cities in south Poland. As a very mesmeric and developing city it has attracted many companies from the BPO/SSC sector and became one of the leaders with 43 companies located. Krakow has about 850,000 inhabitants.

General Overview

Modern office supply in 1H 2012 was around 539,700 sq.m. The demand for office space in Kraków represents a positive trend for growth according to increasing importance of Poland as an attractive place for BPO/SSC companies.

Rents

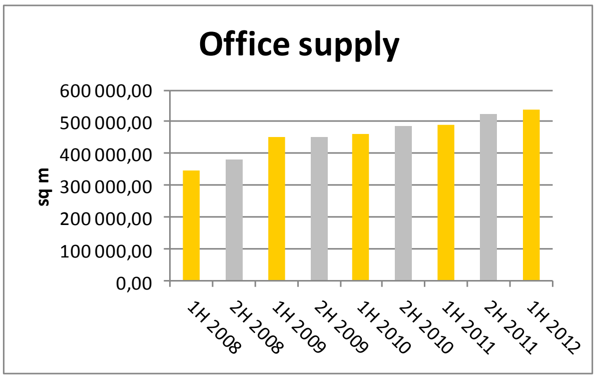
Rental rates in 2012 in Krakow remained relatively stable. City center prime asking rents for modern office space achieved the level of EUR 13-15 per sq m per month.

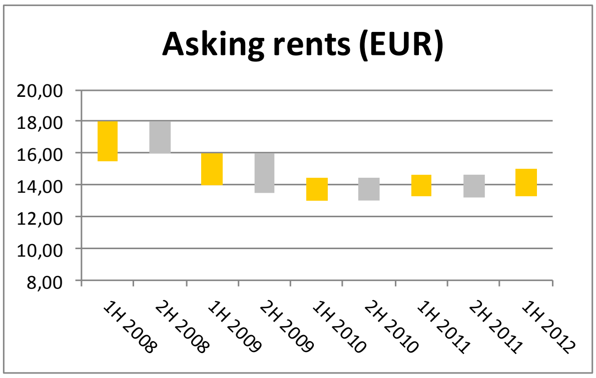
Vacancy & Availability

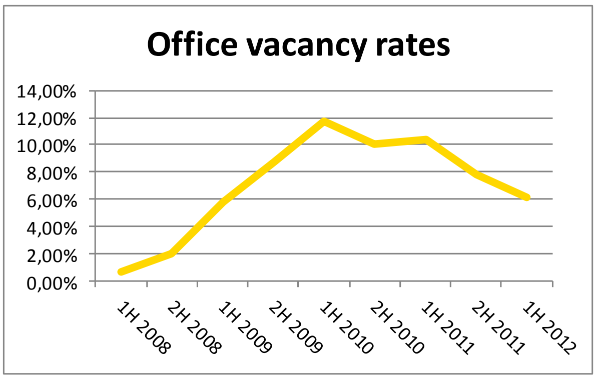
- Krakow's overall office vacancy rate being currently below 6% exemplifies a diminishing trend.The market is seeing lowest level since 1H 2009.
- Office vacancy should stay stable for next year despite supply of modern office space.

Trends

Very attractive labour costs and education connected with knowledge of languages generate additional potential for outsorcing companies. Stable rents and good access to human resources should have positive impact on new investments in the city.







Major existing office projects (by size)

No.	Name of building	Address	Office area (sqm/m kw.)	Year of completion
1.	Philip Morris	Al. Jana Pawła II 196	23 800	2003
2.	Quattro Business Park I, II	Bora Komorowskiego 25	23 800	2010-2011
3.	Buma Square A-G	Wadowicka 6-8	23 700	2002, 2004, 2006
4.	Vinci Offi ce Center	Opolska 100	17 950	2010
5.	Rondo Business Park I, II	Lublańska 34	16 900	2007-2008

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WROCLAW

Market Relevance

Wroclaw has about 1,2 mln residents living within the agglomeration and is a key city in Dolnoslaskie voivodeship. Great academic opportunities encourage thousands of students to relocate to this city. It influenced global corporations such as Hewlett Packard to locate their office in this region. Very good office stock and open-minded city management ensure suitable solutions for new investors.

General Overview

Demand for office space in the Wroclaw region held up well in 2011. The volume of take-up in the region was stable as in previous quarters. Total modern office stock in Wroclaw is almost 407 750 sq.m

Rents

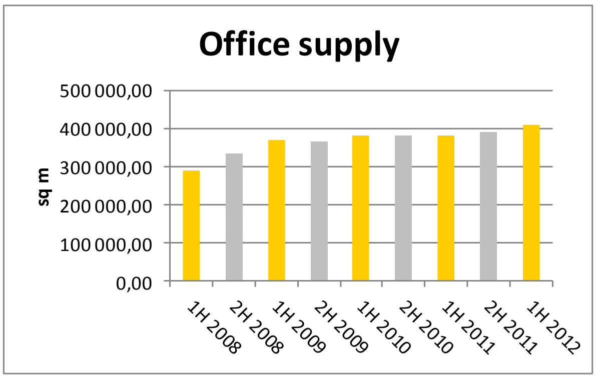
Premium rents (highest value) in 2012 reached around EUR 16 per sq m per month within the area of the office market zone.

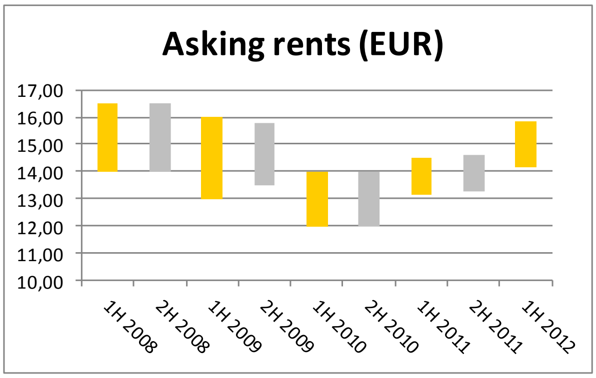
Vacancy & Availability

- Overall office vacancy rate is slightly above 4% and growing supply should slightly increase this indicator
- New developments such as Sky Tower or Green Day Should bring enough office space to move asking rents on lower levels

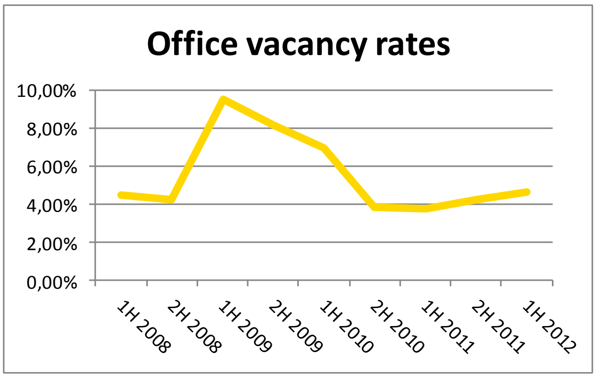
Trends

Rents will remain steady both on prime locations and in average. Investors and developers understand the growing position of Wroclaw and enrich supply variety by developing new office space both A and B class.For a long time only local developers such as LC Corp, Devoc, Archicom were present in the region however stable economic situation and growing demand attracted investors such as SKANSKA.





Major existing office projects (by size)				
No.	Name of building	Address	Office area (sqm/m kw.)	Year of completion
1.	Wojdyła Business Park I, II	Muchoborska 8	25 000	2010-2012
2.	Grunwaldzki Center	Plac Grunwaldzki 23-27	23 900	2008-2009
3.	Bema Plaza	Plac Bema 2	23 500	2008
4.	Wrocławski Park Biznesu I	Strzegomska 46-56	15 700	2001
5.	Silver Forum	Strzegomska 2-4	14300	2007



TROJMIASTO

Market Relevance

Trojmiasto is an urban area which consists of three cities Gdansk, Gdynia, Sopot and has about 1,2 mln residents. With office stock of 365 000 sq.m. it is a significant region of Poland. Together with growing stock of warehouses is an interesting alternative for southern cities.

General Overview

The average vacancy rate dropped to 8 percent during the 1H 2012 period, as total supply rose and generated drop of asking rents.

Rents

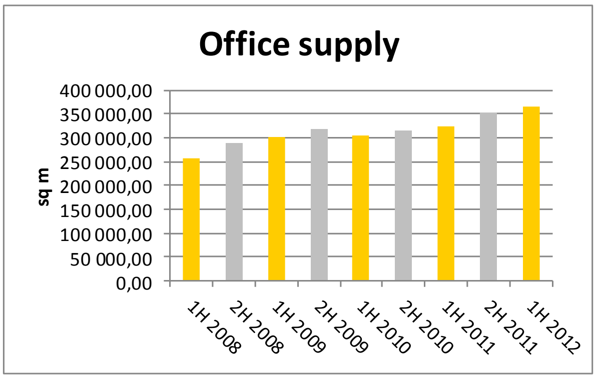
Since 1H 2009 asking rents for class A office space lowered systematically and eventually achieved a stable level of around 14 per sq m per month.

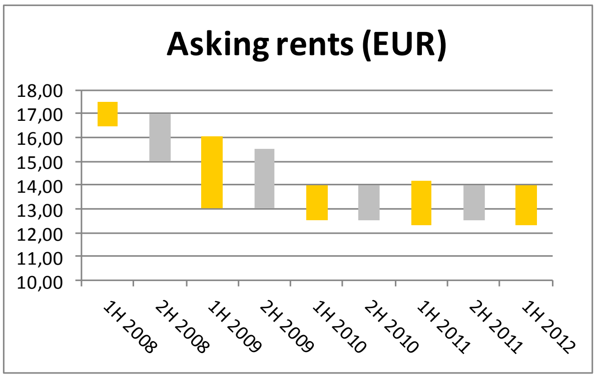
Vacancy & Availability

- High vacancy rates which occurred for several quarters of the year since 1H 2011 dropped from 14% to 8% in 1H 2012
- Availability of new project such as Alchemia or Grunwaldzka Street Should have positive impact on new comers.

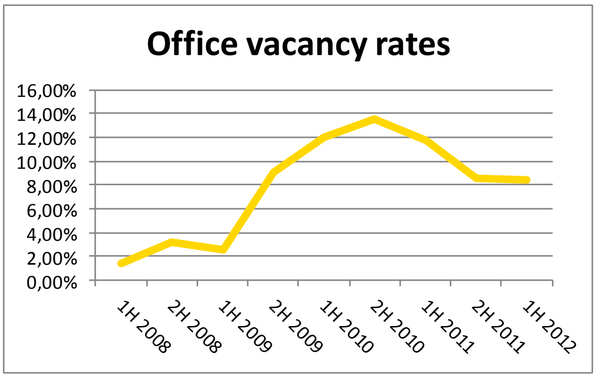
Trends

Growing importance of Deepwater Container Terminal Gdansk and stock of warehouses attract many companies who decide to open eastern branches in Poland. Good connection with western and eastern Europe create extensive opportunity for that region.





Major existing office projects (by size)				
No.	**Name of building**	**Address**	**Office area (sqm/m kw.)**	**Year of completion**
1.	Arkońska BP	Arkońska 2-6 Gdańsk	26 700	2008-2010
2.	Łużycka Office Park (A-E)	Łużycka 6 Gdańsk	22 200	2008-2010
3.	Hestia	Hestii 1 Sopot	18 700	2001
4.	Asseco	Podolska 21 Gdynia	15 250	2004
5.	Olivia Business Centre I: Olivia Gate	Grunwaldzka 470-472 Gdańsk	14 900	2011



POZNAN

Market Relevance

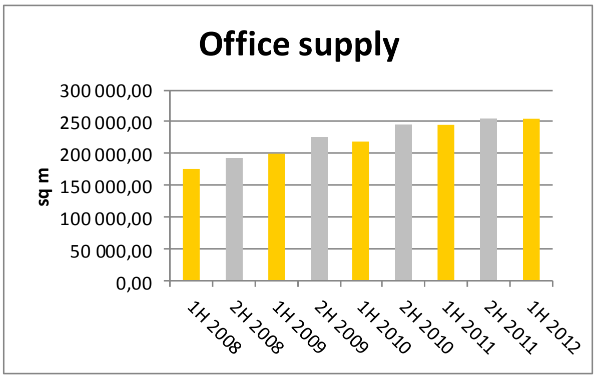
Poznan as a city with close proximity to the German border has a strong competitive advantage which has been noticed especially by retail investors. The A2 highway which connects the city with the western border and Warsaw on the other side presents excellent transportation potential.

General Overview

Modern office stock in Poznan achieved the level of 253 900 sq m.

Rents

Growing level of vacancy should lower rents from 14 per sq m per month in 1H 2012 .

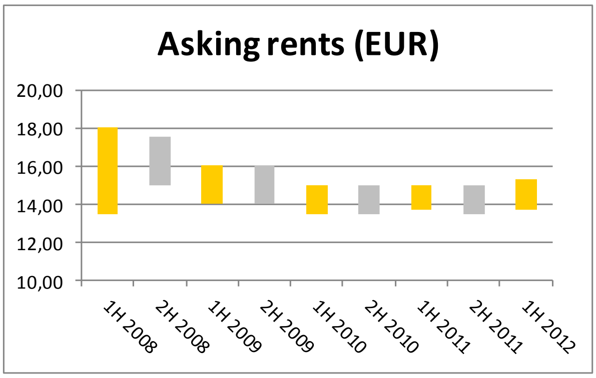


Vacancy & Availability

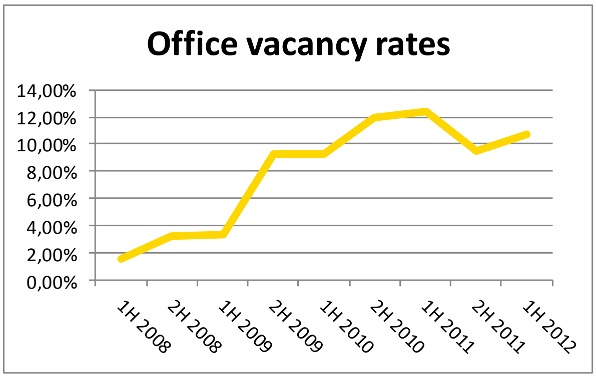
- 1H 2012 vacancy rate achieved level slightly above 10% and in comparison to expected supply of new 60 000 sq.m should grow
- The current supply is putting pressure on asking rental values for 2013

Trends

Poznan is perceived as a modern city and attractive location for BPO/SSC companies. General trends combined with new investments in pipelines are expected to make Poznan a highly demanded city by investors. . The strength of Polish economy and headquarters of such companies like Volkswagen, MAN, Allegro create a positive forecast.



Major existing office projects (by size)				
No.	**Name of building**	**Address**	**Office area (sqm/m kw.)**	**Year of completion**
1.	Malta Offi ce Park	Arcybiskupa A. Baraniaka 88	27 500	2008-2011
2.	PGK Centrum I, II	Marcelińska 90	18 500	1999-2003
3.	Szyperska Offi ce	Szyperska 14	15 900	2009
4.	Poznań Financial Center	Pl. Andersa 5	17 800	2001
5.	5 Skalar Offi ce Center	Górecka 1	14 200	2010



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LODZ

Market Relevance

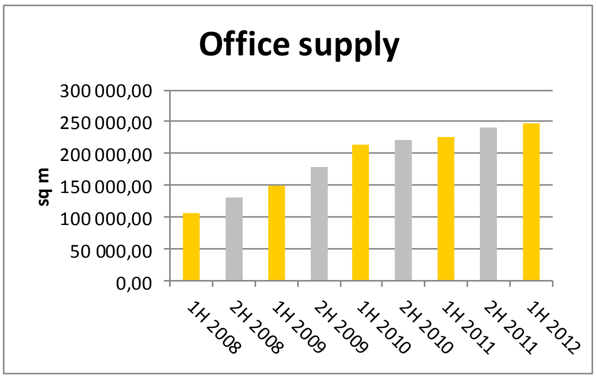
Excellent central location and extensive railway and highway connection wih Warsaw and western border attracted many investors especially from art, design and BPO/SSC sector.

General Overview

Modern office stock is estimated at around 247 000 sq.m. However currently under construction there is 61 000 sq.m of A class buidlings.

Rents

Asking rents in Lodz considerably lowered from 17 per sq m per month in 1H 2008 to 13 per sq m per month in 1H 2012 . In 2013 we will experience trends for lower rent according to new buildings being developed on speculative basis.

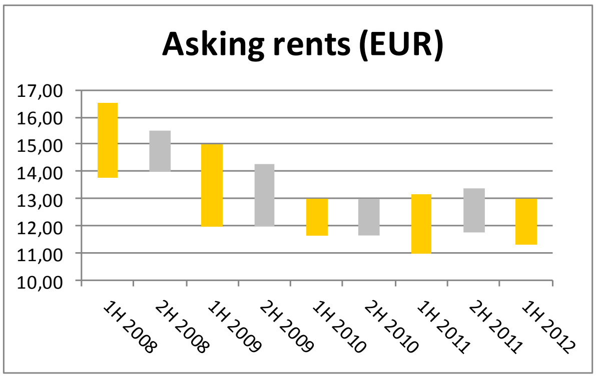


Vacancy & Availability

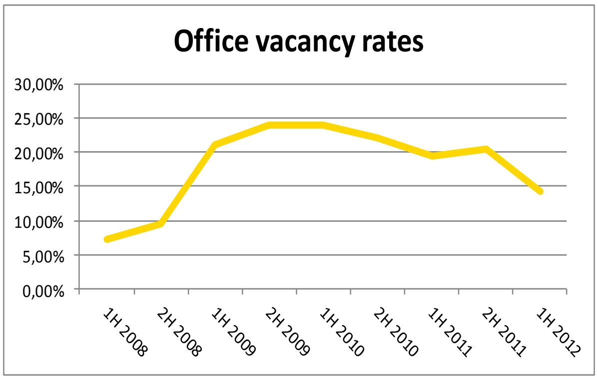
- In 1H 2012 office vacancy rate was on average around 15% for A and B class buildings
- Speculative developments will have direct a impact on vacancy rate and availability

Trends

Lodz is perceived (and it position itselfs) as city dedicated to creative people and companies. Growing importance of Lodz Fashion Show and cooperation with other countries and cities contributes to Lodz becoming a paramount and influential city in the region as well as in Poland.



Major existing office projects (by size)				
No.	Name of building	Address	Office area (sqm/m kw.)	Year of completion
1.	University Business Park A	Wólczańska 178	18 700	2010
2.	Red Tower	Piotrkowska 148/150	13 800	2008
3.	Sterlinga Business Centre	Sterlinga 8a	12 800	2010
4.	Cross Point	Rydza Śmigłego 20	12 500	2009
5.	Textorial Park	Fabryczna 17	11 600	2009



LUBLIN

Market Relevance

Lublin is the capital city of the Lubelskie Voivodship with almost 350 thousands inhabitants and a major academic, cultural and business city in eastern part of Poland. As Lublin is a city with approximately 84,000 students enrolled at four universities, it offers a significant labor force for potential investors. It influenced global corporations such as France Telecom and Polska Grupa Energetyczna to locate their business in this region.

General Overview

Modern office supply in 1H 2012 was around 78 000 sq.m. The dynamic local development is dedicated by three local developers that provided 65 % of the existing office stock

Rents

Rental rates in 2012 in Lublin due to limited availability of class A office space achieved the level of EUR 10-13 per sq m per month, however some office buildings quote asking rents even higher than that, sometimes reaching even 30% discrepancies.

Vacancy & Availability

- Overall office vacancy rate is slightly above 4% and growing supply should slightly increase this indicator
- New developments such as Wikana Business Park I or Hanski Office Center should bring enough office space to move asking rents on lower levels

Trends

Very attractive labour costs, education connected with knowledge of languages and opening of the airport generate additional potential for outsourcing companies. Stable rents and good access to human resources should have positive impact on new investments in the city.

Major pipeline office projects scheduled for delvery until the end of 2014 (by size)

No.	Name of building	Address	Office area (sqm)	Year of completion
1.	Wikana Business Park I	Grygowej i Pancerniaków	7 150	2013
2.	Hanski Office Center	Jana Pawła II 17	5 550	2013
3.	Dalimex II	Lubartowska 74A / Obywatelska	2 000	2012

Major existing office projects (by size)

No.	Name of building	Address	Office area (sqm)	Year of completion
1.	Gray Office Park A	Tomasza Zana 32A	21 000	2011
2.	Centrum Zana I	Tomasza Zana 39	9 800	2001
3.	Gray Office Park D	Wallenroda 4D	8 700	2007
4.	Zana Office I, II	Wallenroda 2E, F	8 000	2004
5.	Gray Office Park C	Wallenroda 4C	7 000	2007

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RZESZOW

Market Relevance

Rzeszow is located in southeastern Poland, is the capital city of Subcarpathian Voivodeship with population of more than 180 thousand people. Closeness of developing markets of central-eastern European countries, international airport and 60 thousand of students creates good potential for new investors.

General Overview

In 1H 2012 total office supply in Rzeszow amounts to around 70 000 sq.m. with approximately 12 500 sq.m. of A-class buildings. Most of already existing stock is located in renovated blocks, mixed retail-office buildings or refurbished tenements in the City Centre of Rzeszow.

Rents

City center prime asking rents in Rzeszow achieved the level of EUR 7,5-10 per sq.m per month

Vacancy & Availability

- 1H 2012 vacancy rate achieved level slightly above 8%
- Rents should remain stable till more office supply will be delivered
- Rzeszow actually features limited availability to meet requirements more than 950 sq m

Trends

Through optimal relation between labor costs and quality of work Rzeszow has successfully attracted few outsourcing companies such as Asseco, PZL Rzeszow, ICN Polfa, Sanofi Aventis and ACP Pharma. In the future more demand for this sector is expected.

Major office projects (by size)					
No.	Name of building	Address	Office area (sqm)	Year of completion	Status
1.	Conres	Al. Rejtana 36	12 000	2009	existing
3.	Valeant Pharmaceuticals International	Przemysłowa 2	3500	1996	existing
2.	Capital Towers	Tomasza Zana 39	20 000	2013	under construction
4.	Olszynki Park	F. Chopina 35a	n/a	n/a	pipeline
5.	Budynek Developres	Szpitalna	n/a	n/a	pipeline
6.	Konopnickiej Business Park	Konopnickiej	n/a	n/a	pipeline

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