At a glance Q2 2018

INDUSTRIAL & LOGISTICS MARKET REVIEW*, POLAND

Following the exponential growth of the stock by 21% recorded over 2017, the fast development pace of the industrial & logistics sector in Poland continued in H1 2018. In the course of the first six months of the current year the stock grew by another 5.5%. At the end of June the vacancy rate recorded a historical minimum and pipeline volume has never been bigger. However, rising construction costs put pressure on rental levels, and shrinking labour force motivates developers to seek alternative locations.

14.2m m²
Modern industrial & logistics stock

1
CENTRAL POLAND IS BOOMING

Over the first half of 2018 a volume of 741,800 sq m was completed, of which 35% were delivered to the Central Poland market. New supply in H1 2018 was by 7% lower comparing to the corresponding period of 2017. Besides Central Poland, the largest provision was located in Upper Silesia (124,700 sq m) and Warsaw II hub (121,900 sq m). The biggest schemes brought into service were BTS B/S/H (79,000 sq m) located in Central European Logistics Hub and another phase of P3 Piotrków (60,200 sq m).

NEW

741,800 m²
Total stock delivered in H1 2018

2
RECORD PIPELINE VOLUME

The impressive number of new supply delivered since the beginning of 2017 did not discourage developers from starting further projects. Currently there is a record volume of warehouse and logistics space under construction – 2,246,200 sq m. The largest portion of the constructed stock – nearly one/third which corresponds to ca. 628,000 sq m) – will be delivered to Central Poland. With ca. 319,000 sq m at the construction stage, Upper Silesia is expected to grow by approx. 13% within the short-term. The largest projects include Panattoni BTS Amazon Gliwice (146,000 sq m), Hillwood Zalando in Głuchów (126,000 sq m) and BTS Leroy Merlin (124,000 sq m).

2,246,200 m²
Under construction

3
HISTORICAL LOW OF VACANCY RATE

Compared to the situation at the end of Q2 2017, the overall vacancy rate decreased by 1.9 p.p. and currently reached the historical low – 4.0 %. In the context of a record growth of new supply, it reflects the great demand for warehouse space. The trend also results from popularity of BTS projects and the high volume of pre-let agreements. Currently, schemes under construction are on average 75% leased. However, warehouses are often almost fully let upon completion.

4.0%
Vacancy rate as of Q2 2018

4
SHRINKING GAP BETWEEN HEADLINE AND EFFECTIVE RENTS

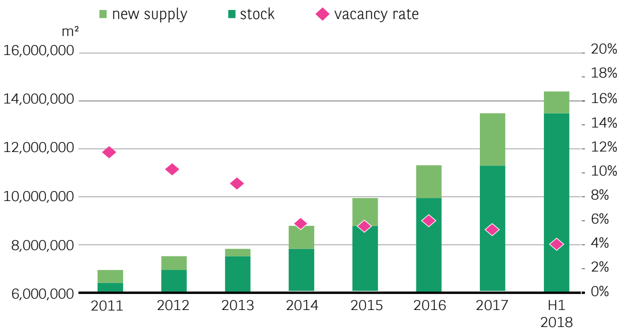
An increase of labour and construction costs has started to put pressure on the rental levels. Landlords become less willing to offer attractive incentives, which is expected to result in the increase of effective rental rates. The high volume of new supply prevents the rapid growth of rental costs to some extent. However, in the first six months of 2018 a significant rise of rental levels was observed in the regions with the limited volume of space available for leasing, e.g. Central Poland or Toruń/Bydgoszcz.

Warsaw in-town locations remained the most expensive, while large-scale logistics parks situated outside the major cities recorded the lowest rental levels in the market.

2.50 – 5.35 EUR
Headline rent range (sq m/month)

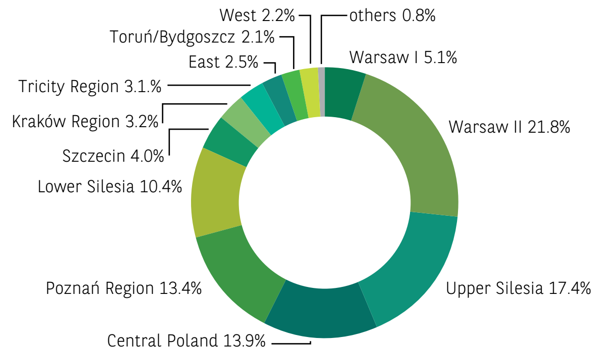
*Data has been revised, an updated zones division was introduced.

Vacancy rate, modern industrial and logistics stock



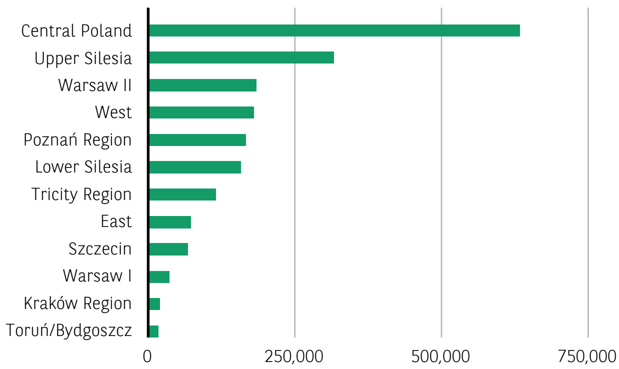
Source: BNP Paribas Real Estate

Market share by hub, Q2 2018



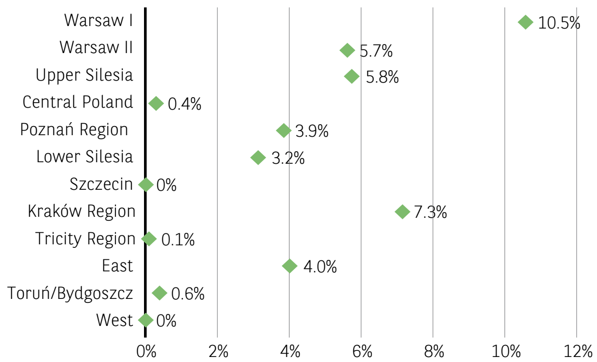
Source: BNP Paribas Real Estate

Under contruction industrial and logistics space, Q2 2018 (sq m)



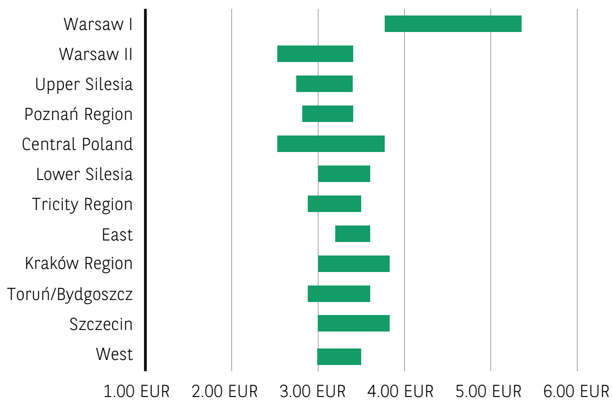
Source: BNP Paribas Real Estate

Vacancy rate by hub, Q2 2018



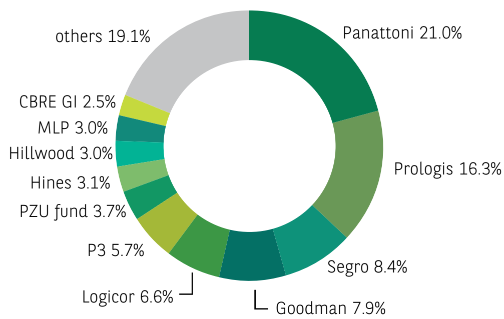
Source: BNP Paribas Real Estate

Rental ranges by hub, € per sq m/month, Q2 2018



Source: BNP Paribas Real Estate

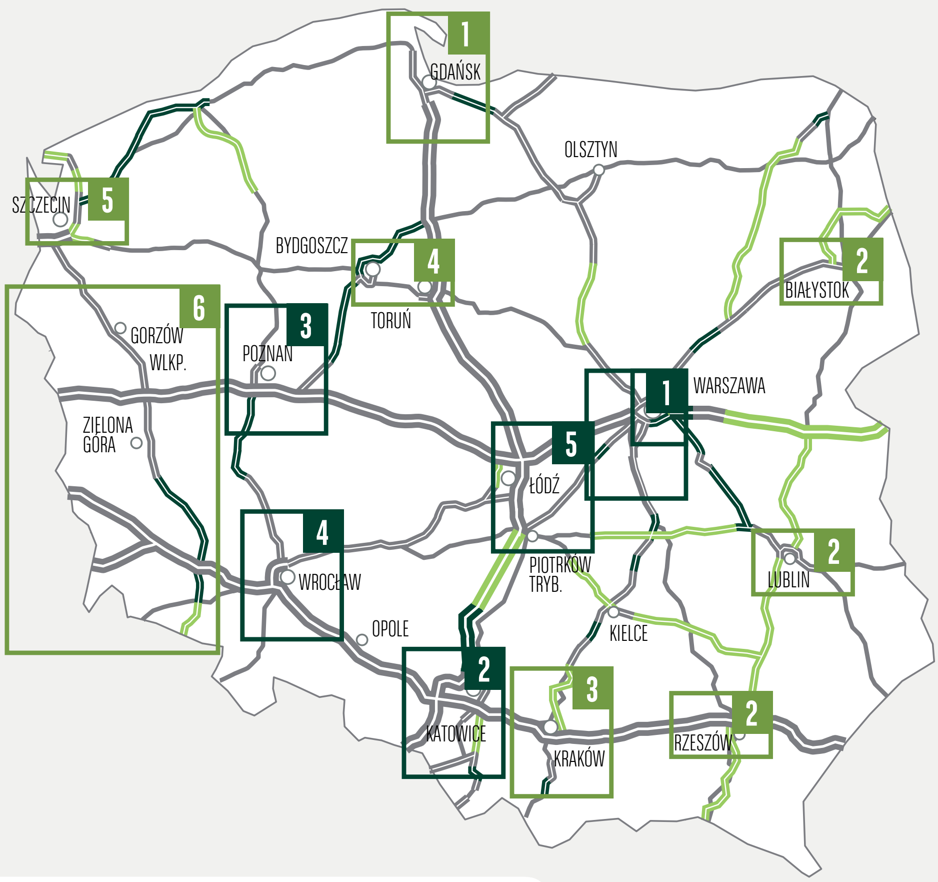
Landlord / developer market share, Q2 2018



Source: BNP Paribas Real Estate

MAP OF INDUSTRIAL & LOGISTICS HUBS & TRANSPORTATION NETWORK

BNP Paribas Real Estate has divided the industrial & logistics market into five primary hubs (over 1 million sq m) and six secondary markets as shown on the map.



PRIMARY HUBS:

1. Warsaw I & Warsaw II
2. Upper Silesia
3. Poznań
4. Lower Silesia
5. Central Poland

SECONDARY HUBS:

1. Tricity
2. East
3. Kraków
4. Bydgoszcz / Toruń
5. Szczecin
6. West

MAJOR NATIONAL ROADS

HIGHWAYS:

- EXISTING
- UNDER CONSTRUCTION
- PLANNED

EXPRESSWAYS:

- EXISTING
- UNDER CONSTRUCTION
- PLANNED

Source: BNP Paribas Real Estate

PRIMARY HUBS[1]

WARSAW I

- Limited availability and high prices of land significantly reduce cluster development and increase rental costs for the top as-sets.
- Warsaw I records the highest rents for warehouse space in Poland.
- The average size of units in warehouses is smaller than in other clusters. They also offer more office space and form Small Business Units (SBU).
- At the end of Q2 2018 the vacancy rate amounted to 10.5% which is one of the highest in Poland.

KEY INDICATORS
& FUTURE TRENDS* (↗) WARSAW I

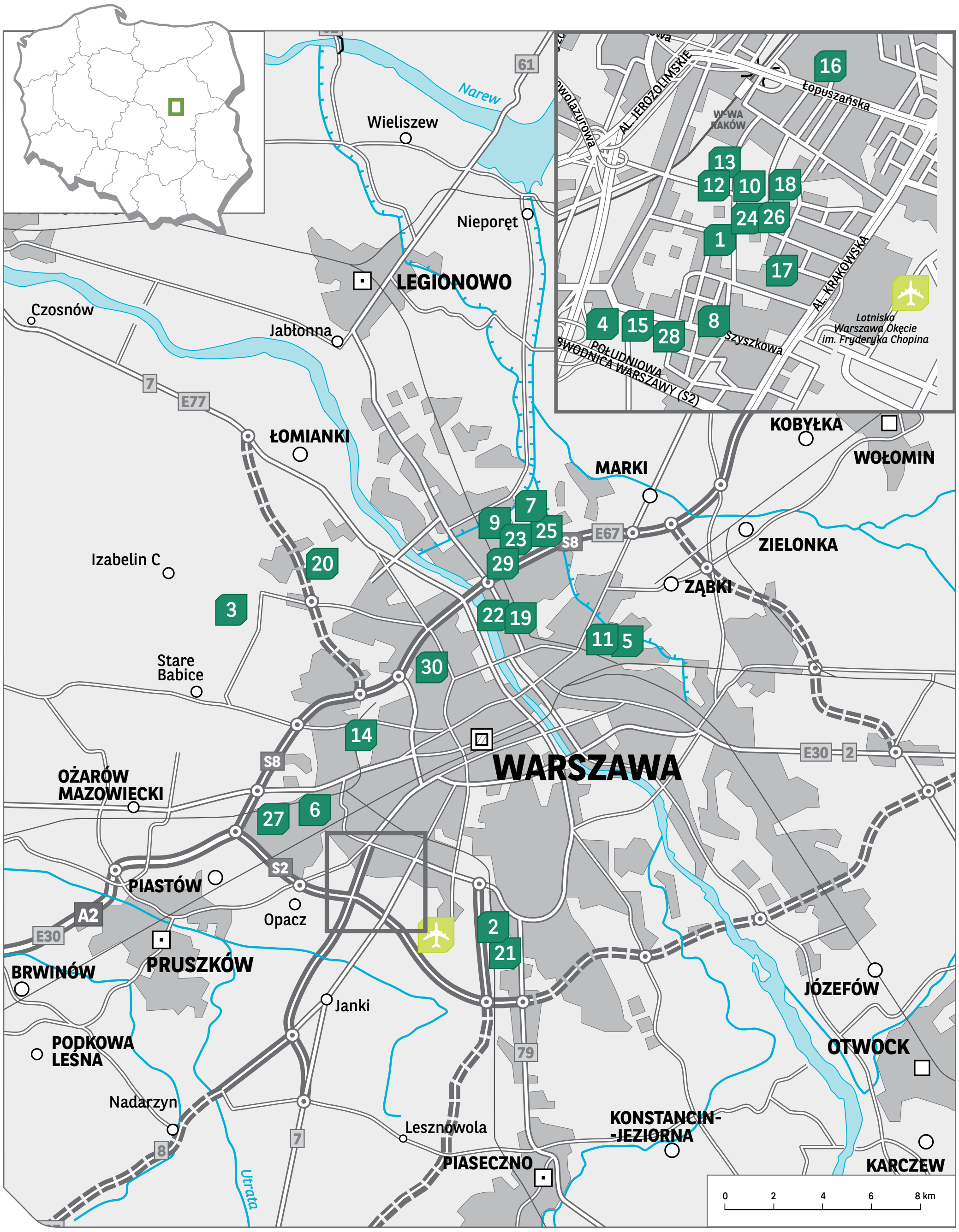
729,000 m²
Total existing stock

10.5% →
Vacancy rate

35,900 m²
Under construction

3.70-5.35 EUR →
Headline rent range (per sq m/mth)

*for the next 6 months



EXISTING & UNDER CONSTRUCTION

1. Airport House
2. Bokserska Distribution Center
3. City Logistics Warsaw I
4. City Logistics Warsaw Airport
5. City Point
6. Diamond Business Park Ursus
7. Distribution Park Annopol
8. Distribution Park Okęcie
9. Distribution Park Żerań
10. Gate One
11. Hillwood Warsaw I, II
12. Ideal Distribution Centre
13. Ideal Idea III
14. Kolmet
15. Krakowska Distribution Park
16. Logicor Warszawa
17. Manhattan Business & Distribution Center
18. Modularna Distribution Centre
19. Metropol Park Jagiellońska
20. Norblin Industrial Park
21. Platan Park
22. Prologis Park Warsaw II
23. Prologis Park Warsaw – Żerań
24. Segro Business Park Okęcie
25. Segro Business Park Warsaw, Żerań
26. Space Distribution Center
27. Ursus Logistic Center
28. Warsaw Distribution Center
29. Wenecka
30. Żoliborskie Centrum Biurowo-Magazynowe

1. Supply over 1m sq m.

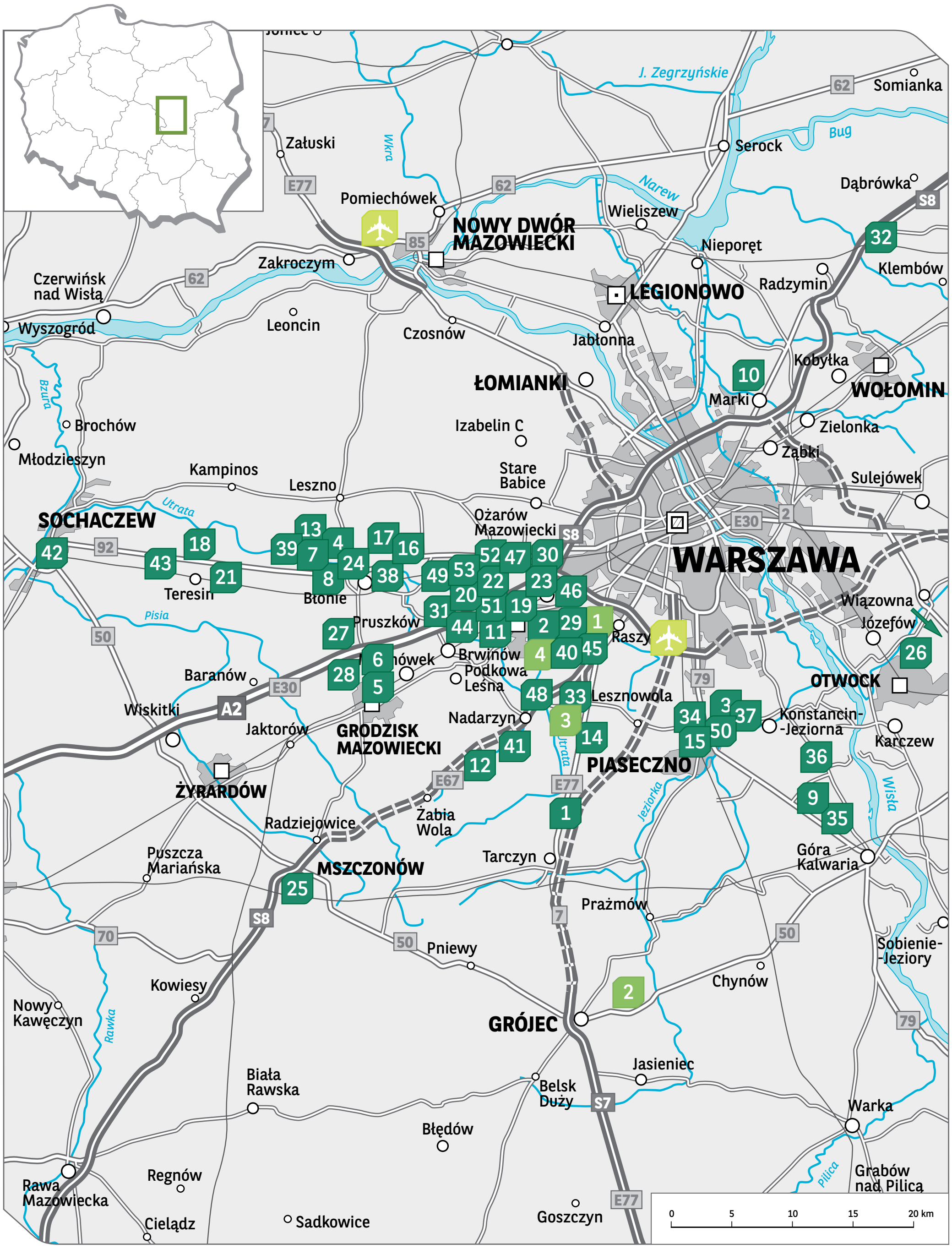
WARSAW II

- Warsaw II is the largest warehouse market in Poland. It accounts for 21.8% of the country's total stock.
- In H1 2018 the total stock grew by 121,900 sq m. Another 185,000 sq m remains under construction.
- In Q2 2018 developers delivered Panattoni Park Konotopa II (42,000 sq m) and Panattoni Park Warsaw North (27,900 sq m).
- The rapid increase of new supply and the dominance of large-scale projects keep rental rates stable at one of the lowest levels in the country.
- New transport infrastructure in the eastern (S8, A2) and southern (S8, S7, S17) parts of the hub will result in new warehouse developments in these directions which are expected to emerge over the next few years.

KEY INDICATORS & FUTURE TRENDS* (↗) — WARSAW II

3,095,600 m² — Total existing stock	5.8% ↗ — Vacancy rate
185,000 m² — Under construction	2.50-3.40 EUR → — Headline rent range (per sq m/mth)

*for the next 6 months



EXISTING & UNDER CONSTRUCTION

1. Altmaster Wola Mrokowska
2. Altmaster Pęcice
3. Altmaster Piaseczno
4. Błonie Business Park
5. Distribution Park Grodzisk Maz.
6. Goodman Grodzisk Logistics Centre
7. Hillwood Błonie
8. Hillwood Błonie II
9. Hillwood Kalwaria
10. Hillwood Marki
11. Hillwood Pruszków
12. Lexar Distribution Park
13. Logicor Błonie
14. Logicor Łazy
15. Logicor Piaseczno
16. Logicor Święcice
17. Logicor Święcice II
18. Logicor Teresin
19. MLP Pruszków I
20. MLP Pruszków II
21. MLP Teresin
22. Ożarów I Logistics Centre
23. Ożarów II Logistics Centre
24. P3 Błonie
25. P3 Mszczonów
26. Panattoni Park Garwolin
27. Panattoni Park Grodzisk I, II,
28. Panattoni Park Grodzisk III
29. Panattoni Park Janki I, II
30. Panattoni Park Konotopa
31. Panattoni Park Pruszków II
32. Panattoni Park Radzymin
33. Panattoni Park Warsaw South
34. Piaseczno Business Park
35. Point of View Góra Kalwaria
36. Point of View Kawęczyn
37. Point of View Piaseczno
38. Prologis Park Błonie
39. Prologis Park Błonie II
40. Prologis Park Janki
41. Prologis Park Nadarzyn
42. Prologis Park Sochaczew
43. Prologis Park Teresin
44. Pruszkowskie Centrum Dystrybucyjne
45. Raszyn Business Park
46. Reguły Logistic Park
47. Segro Business Park Warsaw, Ożarów
48. Segro Logistics Park Warsaw, Nadarzyn
49. Segro Logistics Park Warsaw, Pruszków
50. Techniczna Industrial Park
51. WAN Pruszków
52. West Park Ożarów
53. West Park Pruszków

PLANNED

1. Diamond Business Park Raszyn
2. DL Invest Słomczyn Grójec
3. Goodmann Warsaw II Logistics Centre (Janki)
4. Hillwood Janki

UPPER SILESIA

- Upper Silesia remains the second largest market in Poland after Warsaw II.
- Warehouse space increased by over 124,700 sq m in H1 2018 following the delivery of i.a. Panattoni Park Sosnowiec V and Panattoni Park Gliwice III.
- There are 319,000 sq m under construction, of which almost 46% will be delivered in Panattoni's BTS Amazon Gliwice (146,000 sq m). It is the highest pipeline volume among all logistics hubs in Poland.
- The share of free space fluctuated around 6% over the last 12 months. It can record a slight growth over the coming months due to the significant amount of space under construction.
- The range of rental rates in Upper Silesia is similar to other major warehouse clusters. It can be seen, however, the trend of shrinking gap between headline and effective rental levels.

KEY INDICATORS & FUTURE TRENDS* (↗)

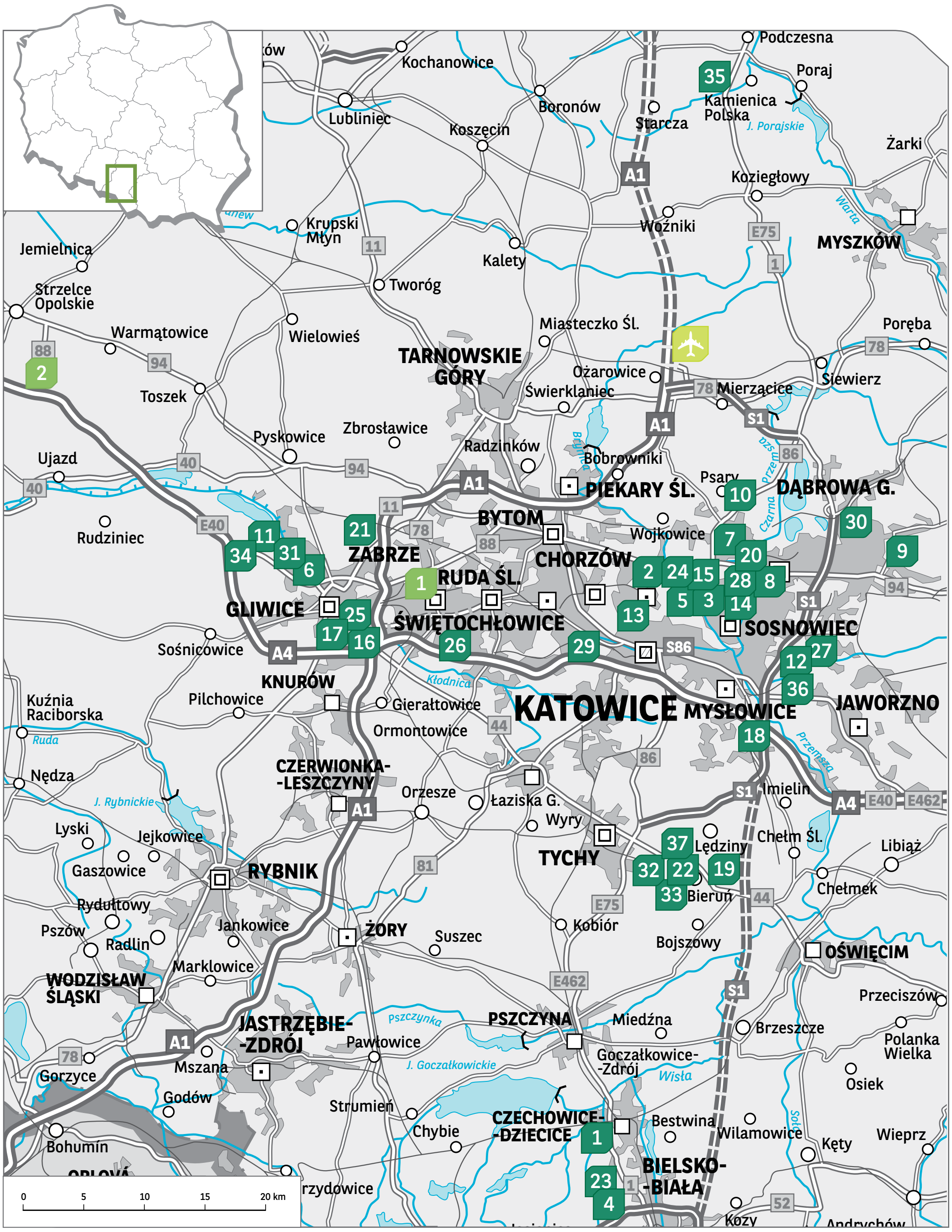
2,471,400 m²
Total existing stock

5.8% ↗
Vacancy rate

319,000 m²
Under construction

2.70-3.40 EUR →
Headline rent range (per sq m/mth)

*for the next 6 months



EXISTING & UNDER CONSTRUCTION

1. 7R Beskid Park
2. 7R Siemianowice Śląskie
3. Alliance Silesia Logistics Center
4. Bielsko-Biała Logistics Centre
5. Centrum Logistyczne Milowice
6. Diamond Business Park Gliwice
7. Distribution Park Będzin
8. Distribution Park Sosnowiec
9. DL Invest Park Dąbrowa Górnicza
10. DL Invest Park Psary/Czeladź
11. Goodman Gliwice Logistics Centre
12. Goodman Sosnowiec Logistics Centre
13. Górnośląski Park Przemysłowy
14. Hillwood Zagłębie
15. Logicor Czeladź
16. Logicor Gliwice I
17. Logicor Gliwice II
18. Logicor Mysłowice
19. MLP Bieruń
20. MLP Czeladź
21. MLP Gliwice
22. MLP Tychy
23. Panattoni Park Bielsko-Biała II
24. Panattoni Park Czeladź III
25. Panattoni Park Gliwice II, III
26. Panattoni Park Ruda
27. Panattoni Park Sosnowiec I, II, III, IV, V
28. Prologis Park Będzin II
29. Prologis Park Chorzów
30. Prologis Park Dąbrowa
31. Segro Business Park Gliwice I, II, III
32. Segro Industrial Park Tychy
33. Segro Industrial Park Tychy II
34. Segro Logistics Park Gliwice
35. Silesia Logistic Park
36. Śląskie Centrum Logistyczne
37. Terminal Logistyczny Promont Tychy

PLANNED

1. Hillwood Ruda Śląska
2. Prologis Park Ujazd

CENTRAL POLAND

- The blend of central location, well developed transport infrastructure and relatively good access to labour force keeps the cluster constantly popular among tenants.
- Only over the first half of 2018 the market grew by 259,200 sq m. The largest warehouses delivered to the market in H1 2018 were BTS B/S/H (79,000 sq m) and another phase of P3 Piotrków (60,200 sq m).
- Currently, the biggest schemes under construction are Central European Logistic Hub (135,000 sq m) and Hillwood Zalando (124,500 sq m).
- Central Poland is characterised by the lowest vacancy rate among all primary hubs. It lowered 0.4% at the end of March. Moreover, almost 93% of area under construction is already leased.

KEY INDICATORS & FUTURE TRENDS* (↗)

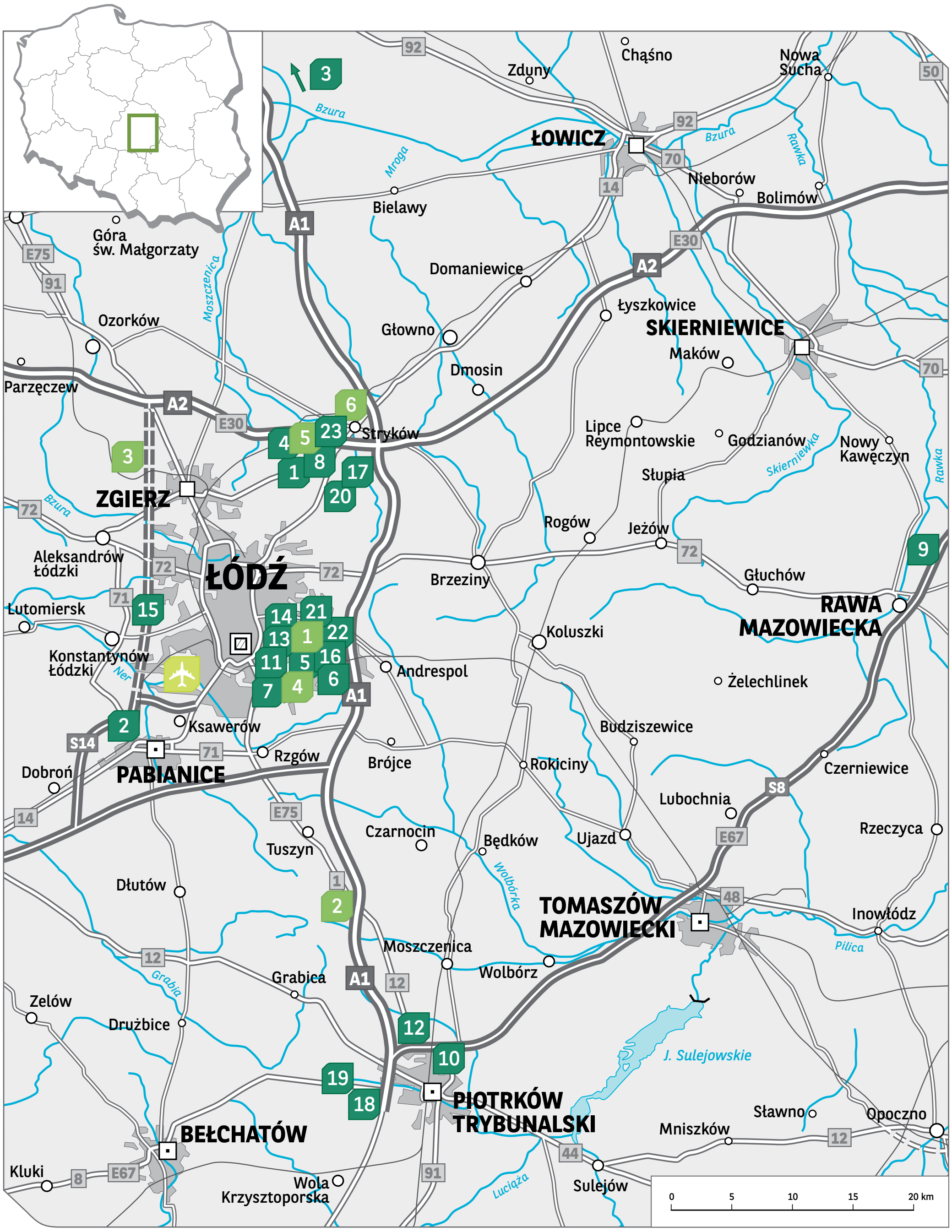
1,971,600 m²
Total existing stock

0.4% ↗
Vacancy rate

628,200 m²
Under construction

2.50-3.70 EUR →
Headline rent range (per sq m/mth)

*for the next 6 months



EXISTING & UNDER CONSTRUCTION

1. Diamond Business Park Stryków
2. Goodman Łódź I Logistics Centre
3. Hillwood Kutno
4. Hillwood Stryków
5. Logicor Łódź
6. Logicor Łódź II
7. Logicor Łódź III
8. Logicor Stryków
9. Logis
10. Logistic City – Piotrków Distribution Centre
11. Łódź Business Park
12. P3 Piotrków
13. Panattoni Park Business Center Łódź
14. Panattoni Park Business Center Łódź II, III, IV
15. Panattoni Park Konstantynów Łódzki
16. Panattoni Park Łódź East I, II
17. Panattoni Park Stryków II, III
18. Prologis Park Piotrków I
19. Prologis Park Piotrków II
20. Prologis Park Stryków
21. Segro Business Park Łódź
22. Segro Logistics Park Łódź
23. Segro Logistics Park Stryków

PLANNED

1. 7R City Flex Łódź
2. Goodman Łódź II Logistics Centre
3. Hillwood Łódź (Lućmierz)
4. MLP Łódź
5. MLP Stryków
6. MountPark Stryków

POZNAŃ HUB

- Due to delivery of another phase of Panattoni Park VI and the first building in Panattoni Park VII, the Poznań hub grew by 42,800 sq m in Q2 2018.
- Comparing to the corresponding period of 2017, the vacancy rate decreased by 4.9 p.p. to the level of 3.9%.
- At the end of H1 2018 the total volume under construction amounted to 169,100 sq m. The biggest schemes being built at the moment are another phases of Panattoni Park Poznań VIII (36,400 sq m), P3 Poznań (26,400 sq m) and Clip Poznań (25,000 sq m).
- Rents in the Poznań hub remain stable and are within the range similar to other major warehouse clusters.
- Poznań region and Wielkopolskie voivodship are characterized by one of the lowest unemployment rates in Poland.

KEY INDICATORS
& FUTURE TRENDS* (↗)

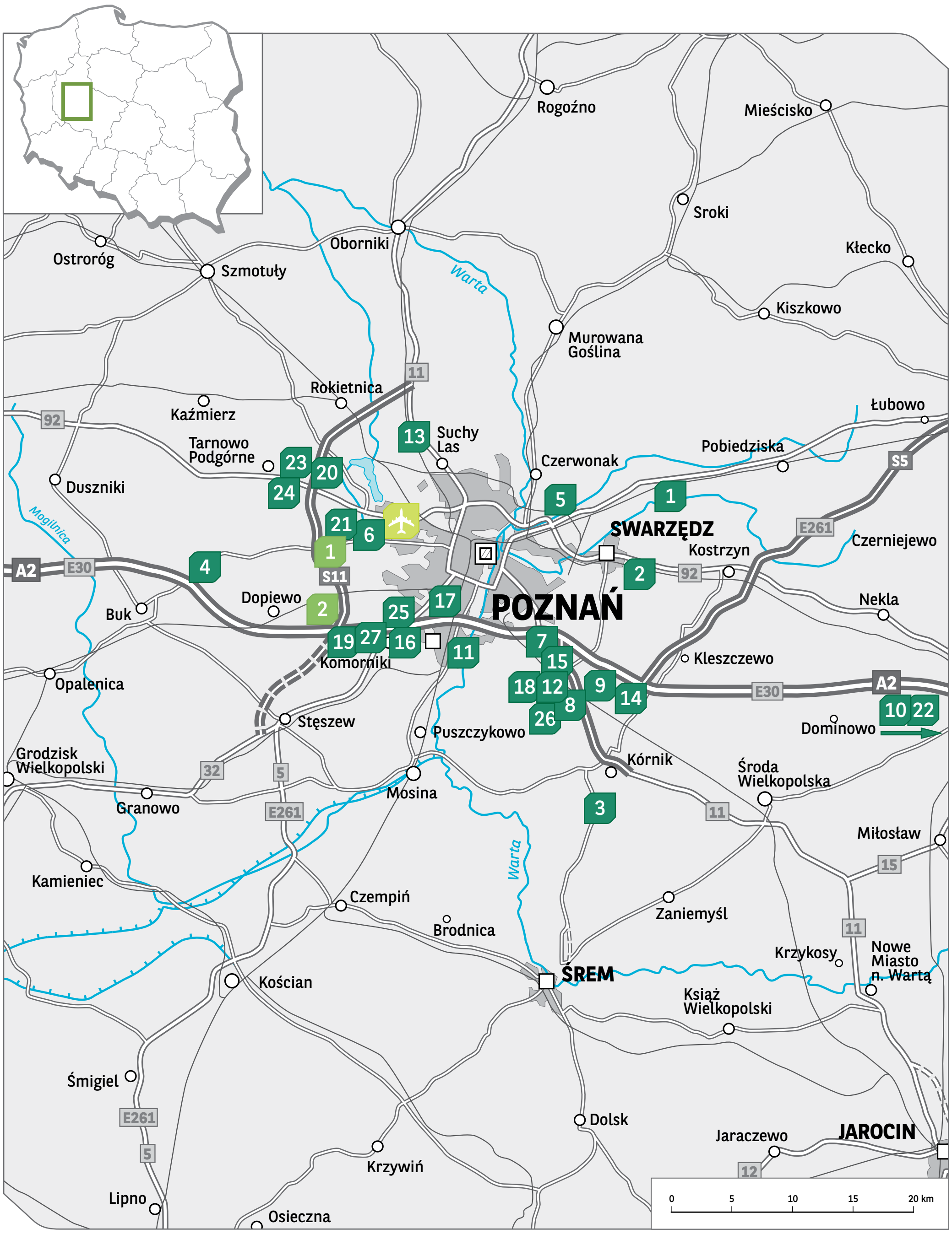
1,912,300 m²
Total existing stock

3.9% ↗
Vacancy rate

169,100 m²
Under construction

2.80-3.40 EUR →
Headline rent range
(per sq m/mth)

*for the next 6 months



EXISTING & UNDER CONSTRUCTION

1. Centrum Magazynowe Bugaj
2. Clip – Centrum Logistyczno Inwestycyjne Poznań
3. Doxler
4. Goodman Poznań I Logistics Centre
5. Goodman Poznań III Logistics Centre
6. Goodman Poznań Airport Logistics Centre
7. Logicor Poznań I
8. Logicor Poznań II
9. Logicor Poznań III
10. Logit
11. Luvena Logistic Park Poznań
12. MLP Poznań
13. Nickel Technology Park Poznań
14. P3 Poznań
15. Panattoni Park Poznań III
16. Panattoni Park Poznań IV
17. Panattoni Park Poznań V
18. Panattoni Park Poznań VI
19. Panattoni Park Poznań VIII
20. Panattoni Park Poznań IX
21. Panattoni Park Poznań Airport
22. Panattoni Park Września
23. Prologis Park Poznań I
24. Prologis Park Poznań II
25. Prologis Park Poznań III
26. Segro Logistics Park Poznań, Gądki
27. Segro Logistics Park Poznań, Komorniki

PLANNED

1. MLP Poznań West
2. Segro Logistics Park Poznań, Gołuski

BNP PARIBAS REAL ESTATE

LOWER SILESIA

- Lower Silesia owes its development to well-developed transport infrastructure and proximity to the southern and western borders of the country.
- New completions increased total supply by ca. 8,300 sq m in H1 2018.
- Since the beginning of 2017 tenant interest in this cluster has been seen to strengthen, which resulted in decline of vacancy rate. Compared to the corresponding period of 2017, the share of vacant space fell by 4.3 p.p.
- Rental rates in the Wrocław area belong to one of the highest among the main industrial and logistics hubs (apart from the areas within the boundaries of Warsaw and Kraków).
- In December 2017 the S5 expressway to the north of Wrocław was opened. The whole high speed road between Wrocław and Poznań should be completed by the end of H1 2019, which would trigger development of the cluster to the north of Wrocław.

KEY INDICATORS & FUTURE TRENDS* (↗)

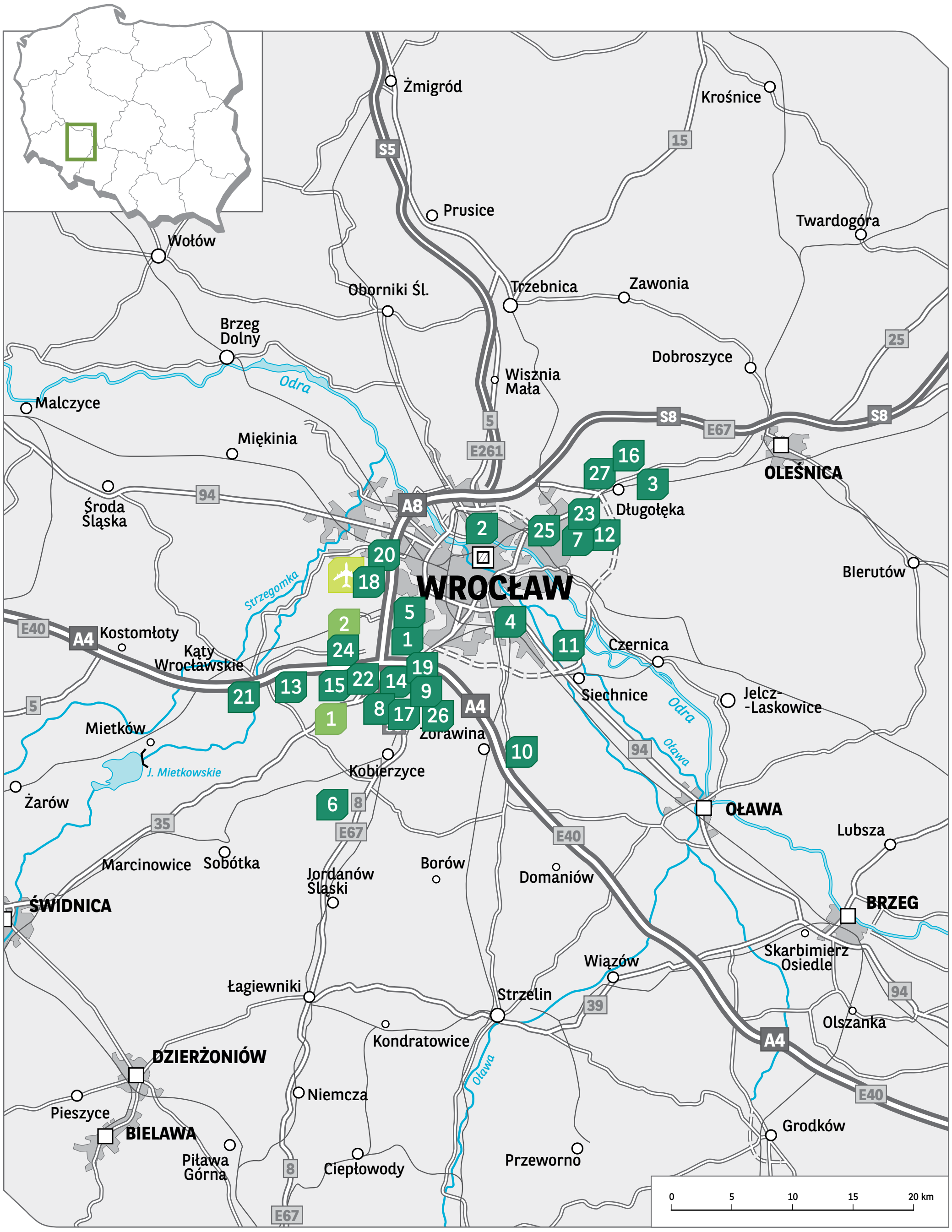
1,483,000 m²
Total existing stock

3.2% →
Vacancy rate

169,100 m²
Under construction

3.00-3.60 EUR →
Headline rent range (per sq m/mth)

*for the next 6 months



EXISTING & UNDER CONSTRUCTION

1. City Logistics Wrocław I
2. Distribution Park Wrocław
3. Eurologis
4. Gazowa Industrial Park
5. Goodman Wrocław IV Logistics Centre
6. Goodman Wrocław V Logistics Centre
7. Goodman Wrocław East Logistics Centre
8. Goodman Wrocław South Logistics Centre
9. Hillwood Wrocław I
10. Hillwood Wrocław II
11. Hillwood Wrocław III
12. MLP Wrocław
13. Panattoni Park Wrocław II
14. Panattoni Park Wrocław III
15. Panattoni Park Wrocław IV
16. Panattoni Park Wrocław V
17. Panattoni Park Wrocław VII
18. Panattoni Park Wrocław Airport
19. Prologis Park Wrocław I
20. Prologis Park Wrocław III
21. Prologis Park Wrocław IV
22. Prologis Park Wrocław V
23. Segro Industrial Park Wrocław
24. Tiner Logistic Park
25. Wrocław Business Park
26. Wrocław-Bielany Logistics Centre
27. VATT Invest Wrocław

PLANNED

1. 7R Wrocław
2. MountPark Wrocław

SECONDARY HUBS[1]

KRAKÓW HUB

- In H1 2018 the Kraków hub grew by almost 31,200 sq m. The largest scheme delivered was another phase of 7R Park Kraków (26,200 sq m).
- After a jump of the vacancy rate recorded at the end of 2017, the share of available area has been gradually declinng. At the end of June it amounted to 7.3%.
- The pace of growth of the Kraków hub will be maintained by development of 7R Park Kraków. Next phase of this complex totalling 26,100 sq m, is currently under construction.
- Due to a shortage of modern space within the boundaries of the city, Kraków remains the second most expensive warehouse market after Warsaw.

KEY INDICATORS & FUTURE TRENDS* (↗)

455,500 m² Total existing stock

7.3% → Vacancy rate

48,200 m² Under construction

3.00-3.80 EUR → Headline rent range (per sq m/mth)

*for the next 6 months

EXISTING & UNDER CONSTRUCTION

1. 7R Hillwood Park Kraków Kokotów
2. Centrum Logistyczne Kraków I
3. Centrum Logistyczne Kraków II
4. Goodman Kraków Airport Logistics Centre
5. KJF Park Balice
6. Logicor Kraków
7. Łęgprzem Kraków
8. MARR Business Park
9. MG Logistic
10. Panattoni Park Kraków II, III, IV
11. RB Logistic Olkusz
12. Witek Airport Logistic Centre

PLANNED

1. Centrum Logistyczne Kraków III

1. Supply below 1m sq m.

TRICITY HUB

- The TriCity region is the largest industrial and logistics market in Northern Poland. The proximity of international seaports, airport and expressways contribute to the development of intermodal transport.
- In 2017 the total modern logistics stock increased by over 84,000 sq m. There were no new deliveries to the Tricity market in the first half of 2018.
- Lack of new supply in 2018 enabled a sharp drop of the free space share. Comparing to the end of 2017 the vacancy rate dwindled by 4.8 p.p. to the current 0.1%.
- Two Panattoni projects were commenced in 2018 on the Tricity market - Panattoni Park Gdańsk III (63,800 sq m) and Panattoni Park Gdańsk IV (16,400 sq m). Moreover, there is ongoing construction of another A-class warehouse scheme – Goodman Pomeranian Logistics Centre (36,700 sq m).

KEY INDICATORS & FUTURE TRENDS* (↗)

446,900 m² — Total existing stock

0.1% ↗ — Vacancy rate

117,000 m² — Under construction

2.90-3.50 EUR → — Headline rent range (per sq m/mth)

*for the next 6 months

EXISTING & UNDER CONSTRUCTION

1. Gdańsk-Kowale Distribution Centre I
2. Gdańsk-Kowale Distribution Centre II
3. Gdańsk-Kowale Distribution Centre IV
4. Gdańsk-Kowale Distribution Centre V
5. Centrum Magazynowe Hutnicza
6. Goodman Pomeranian Logistics Centre
7. Hillwood 7R Kowale II
8. Logistic Center Pruszcz Gdański
9. Panattoni Park Gdańsk
10. Panattoni Park Gdańsk II
11. Panattoni Park Gdańsk III
12. Panattoni Park Rafineria
13. Port Gdynia Logistic Centre
14. Prologis Park Gdańsk
15. Segro Logistics Park Gdańsk

PLANNED

1. 7R Park City Flex Gdańsk
2. 7R Tczew

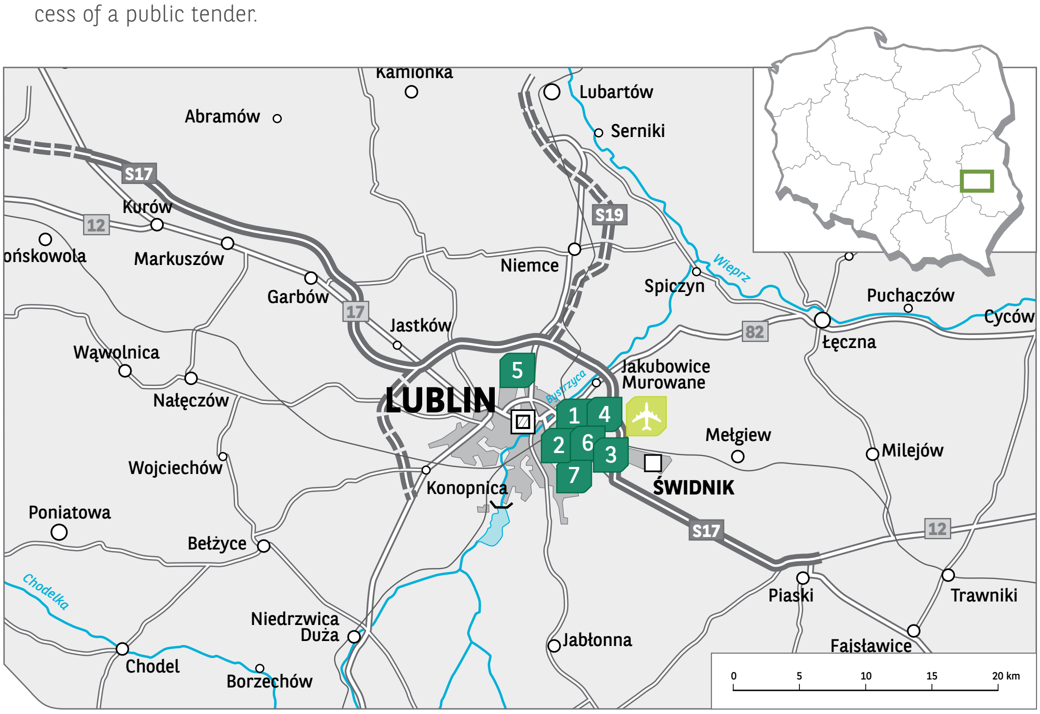
EAST

- In H1 2018 developers started construction of two large-scale projects in this cluster. One of them is the first modern warehouse scheme located in the Białystok region – Panattoni Park Białystok (40,600 sq m). It is the direct effect of S8 expressway (Warszawa-Białystok) completion, which is planned for Q3 of this year.
- There were no new deliveries in th e eastern Poland in H1 2018 .
- Over H1 2018 the vacancy rate fell by 1.3 p.p. and currently it records the level of 4.0%.
- The planned completion of the S17 expressway between Warsaw and Lublin in 2019/2020 will significantly improve transportation to/from the capital and is expected increase the potential for emergence of the industrial and logistics sector in this area.
- Route S19 between Lublin and Rzeszów is currently in the process of a public tender.

KEY INDICATORS & FUTURE TRENDS* (↗)

359,800 m² Total existing stock	4.0% → Vacancy rate
75,200 m² Under construction	3.20-3.60 EUR → Headline rent range (per sq m/mth)

*for the next 6 months

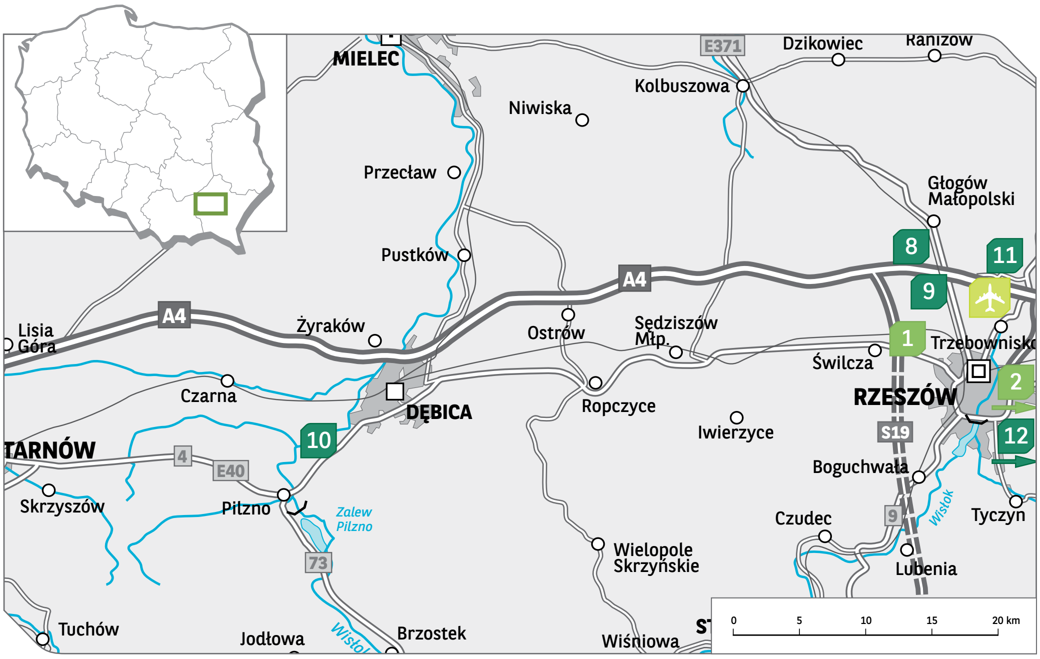


EXISTING & UNDER CONSTRUCTION

1. Centrum Logistyczne Mełgiewska
2. Centrum Logistyczne Tokarska
3. Centrum Logistyczne Vetterów
4. Goodman Lublin Logistics Centre
5. Go East - Lubelskie Centrum Logistyczne
6. MLP Lublin
7. Panattoni Park Lublin
8. Centrum Logistyczne Rogoźnica
9. Panattoni Park Rzeszów
10. Skalski Logistic Park Podgrodzie
11. Waimea Cargo Terminal Rzeszów-Jesionka
12. Waimea Logistic Park Korczowa

PLANNED

1. 7R Rzeszów
2. Korczowa Logistic Park



BYDGOSZCZ / TORUŃ

- In 2017 alone, the industrial and logistics market in the Bydgoszcz / Toruń hub increased by 86%. This was caused by the delivery of three large-scale warehouse schemes, the largest of which was Panattoni BTS Kaufland (45,650 sq m).
- Currently, there is one scheme under construction – Waimea Logistic Park Bydgoszcz (16,200 sq m) consisting of two buildings.
- In H1 2018 the vacancy rate dropped to the level of a mere 0.6%. It translated directly into the increase of asking rents in this region.

KEY INDICATORS
& FUTURE TRENDS* (↗)

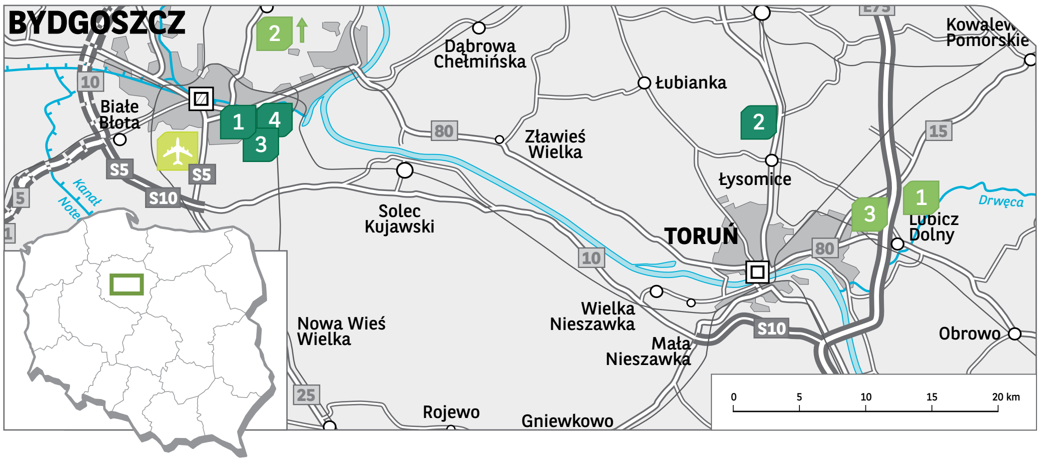
295,200 m^2
Total existing stock

0.6% ↗
Vacancy rate

16,200 m^2
Under construction

2.90-3.50 EUR →
Headline rent range
(per sq m/mth)

*for the next 6 months



EXISTING & UNDER CONSTRUCTION

1. Logistic and Business Park Bydgoszcz
2. Goodman Toruń Logistics Centre
3. Panattoni Park Bydgoszcz
4. Waimea Logistic Park Bydgoszcz

PLANNED

1. Diamond Business Park Toruń
2. Hillwood Bydgoszcz
3. Panattoni Park Toruń

SZCZECIN HUB

- 51% of the total stock in this region is represented by two large-scale BTS schemes: the largest warehouse in Poland – Panattoni BTS Amazon Szczecin (161,000 sq m) and Goodman BTS Zalando Szczecin (130,000 sq m).
- Vacancy rate fell rapidly in the previous year on the back of delivery of an enormous volume of fully let warehouse space. Currently, there is nearly no available warehouse area in the Szczecin region.
- At the end of June 2018 there were three schemes under construction: another phase of Panattoni Park Szczecin I (35,100 sq m), Panattoni Park Szczecin II (22,200 sq m) and 7R Park City Flex Szczecin (10,500 sq m).

KEY INDICATORS
& FUTURE TRENDS* (↗)

571,800 m^2
Total existing stock

0% ↗
Vacancy rate

70,700 m^2
Under construction

3.00-3.80 EUR →
Headline rent range
(per sq m/mth)

*for the next 6 months

EXISTING & UNDER CONSTRUCTION

1. 7R Szczecin
2. Exeter Park Szczecin
3. North-West Logistic Park II
4. Panattoni Park Szczecin I
5. Panattoni Park Szczecin II
6. Prologis Park Szczecin

PLANNED

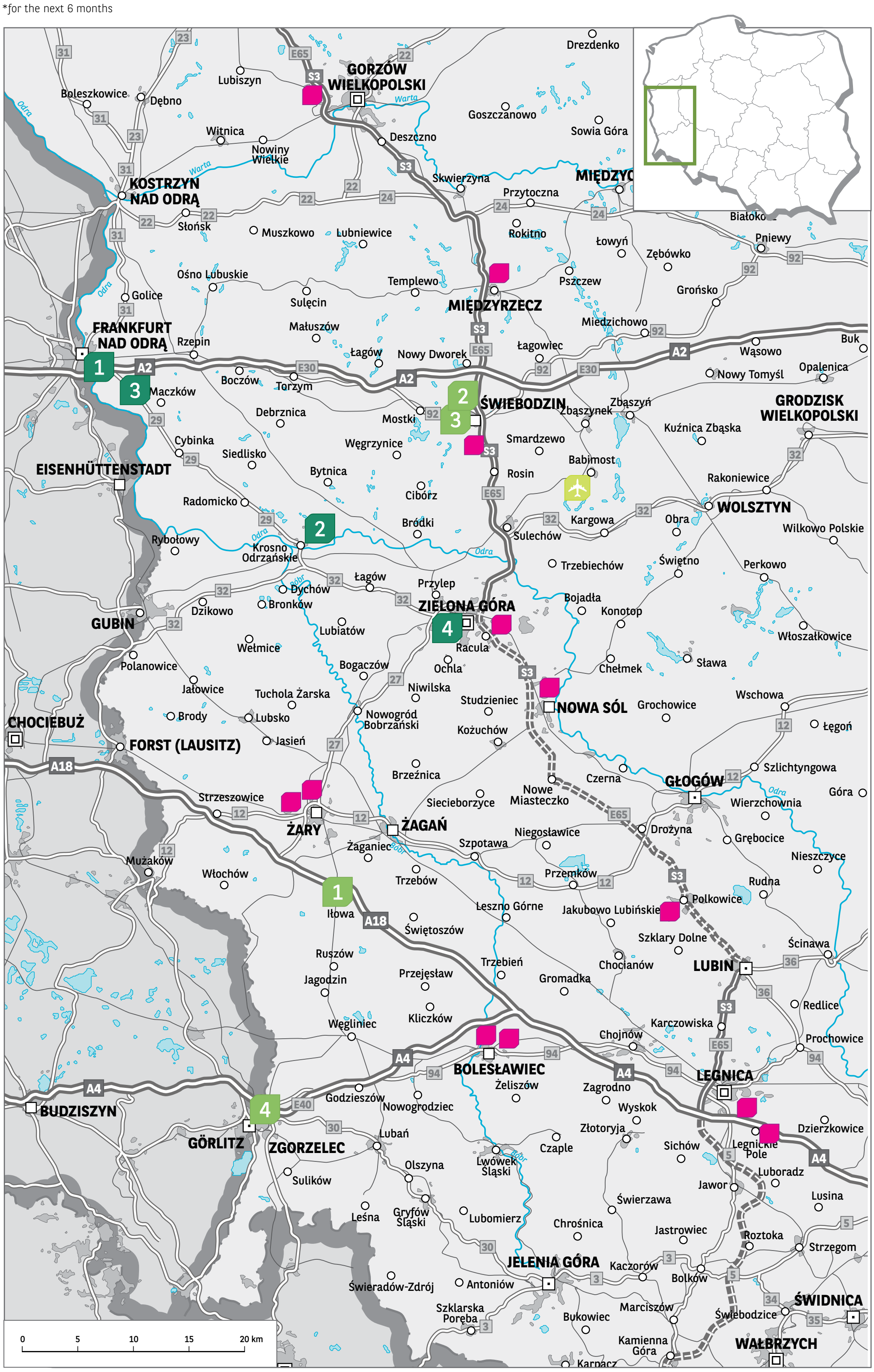
1. Waimea Logistic Park Statgard

WEST

KEY INDICATORS & FUTURE TRENDS* (↗)

318,900 m²	182,800 m²	0% ↗	3.00-3.50 EUR →
Total existing stock	Under construction	Vacancy rate	Headline rent range (per sq m/mth)

*for the next 6 months



The West cluster comprises warehouse and logistics schemes situated along western border of Poland and S3 expressway.

This region is dominated by BTS schemes, which accumulate 91% of the total stock.

At the end of H1 2018 the total volume under construction amounted to 182,800 sq m. The biggest schemes at construction stage are Panattoni BTS Bolesławiec (60,600 sq m), Panattoni Park Zielona Góra (46,700 sq m) and Hillwood Krosno Odrzańskie (44,500 sq m).

Dominance of BTS type projects coupled with high level of tenant demand led to a shortage of available warehouse space in modern existing schemes. Moreover, 100% of the stock which is currently at construction stage was already leased.

Key drivers which are triggering development of this region are high demand for space from companies operating in the Western Europe and steadily improving road infrastructure (e. g. S3 expressway) and convenient accessibility of this location.

EXISTING & UNDER CONSTRUCTION

1. Exeter Park Świecko
2. Hillwood Krosno Odrzanskie
3. Hillwood Świecko
4. Panattoni Park Zielona Góra

PLANNED

1. CTPark Iłowa
2. Exeter Park Świebodzin
3. Hillwood Świebodzin
4. Hillwood Zgorzelec

BTS schemes

Selected schemes delivered, Q2 2018

Scheme	Hub	Developer	Area (m²)
Panattoni Park Sosnowiec V	Upper Silesia	Panattoni	42,200
Hillwood Świecko	West	Hillwood	42,000
Panattoni Park Konotopa II	Warsaw II	Panattoni	42,000
Central European Logistics Hub	Central Poland	Hillwood	36,000
Panattoni Park Gliwice III	Upper Silesia	Panattoni	30,000

Source: BNP Paribas Real Estate

Selected lease transactions, H1 2018

Tenant	Scheme	Hub	Area leased (m²)	Type of lease
Leroy Merlin	Panattoni BTS Leroy Merlin	Central Poland	124,000	new
Zalando	Hillwood Zalando 2	Lower Silesia	121,000	new
confidential	Panattoni BTS Bolesławiec	West	60,600	new
confidential	Central European Logistics Hub	Central Poland	45,000	new
Arvato	Panattoni Park Stryków III	Poznań	43,000	new

Source: BNP Paribas Real Estate

Selected schemes under construction, Q2 2018

Scheme	Hub	Developer	Area (m²)
Panattoni BTS Amazon Gliwice	Upper Silesia	Panattoni	146,000
Hillwood Zalando 1	Central Poland	Hillwood	126,000
BTS Leroy Merlin	Central Poland	Panattoni	124,000
Hillwood Zalando 2	other	Hillwood	121,000
Central European Logistics Hub	Central Poland	Panattoni	99,000

Source: BNP Paribas Real Estate

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DEFINITIONS

Industrial and logistics stock (sq m) – a term covering the following sub-types of existing space: Light Manufacturing and Warehousing (including Logistics), delivered to the market by professional developers.

Take-up (sq m) – transactions regarding industrial and logistics space including: pre-lets, built-to-suit, new transactons, renegotiations and sub-lease.

Vacancy rate (%) – ratio representing the percentage of physically vacant space in existing properties.

Rent range (in Euro per sq m) – Rental rates for 2,000 sq m unit ranging from the top to average modern industrial and logistics schemes in a given hub.

6 BUSINESS LINES in Europe

A 360°vision

Main locations*

EUROPE

FRANCE
Headquarters
167, Quai de la Bataille
de Stalingrad
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BELGIUM
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1050 Brussels
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110 00 Prague 1
Tel.: +420 224 835 000

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60311 Frankfurt
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