



MARKETBEAT
CENTRAL & EASTERN EUROPE
INDUSTRIAL Q3 2025

Better never settles

MARKET FUNDAMENTALS

	YOY Chg	Outlook
7.2% Vacancy Rate	▲	▲
2.2M YTD Net Absorption	▼	▲
2.7M YTD Completions	▼	▬

(Sq m, end of period)

ECONOMIC INDICATORS

	YOY Chg	Outlook
2.4% CEE-6 Real GDP	▲	▲
-1.6% CEE-6 Industrial Production Index	▼	▲
2.4% CEE-6 Real Retail Sales Index	▼	▼

(Quarterly data, average YoY changes, seasonally adjusted)
Source: Moody's Economics

ECONOMY: SOLID REGIONAL GROWTH, INDUSTRY STILL REBALANCING

The CEE-6 economy grew 2.4% in Q3 2025, continuing to outpace the eurozone. Full-year projections point to 2.2% growth in 2025 and 2.5% in 2026, compared with 1.4% and 1.2% in the eurozone. Regional labor markets remained steady, with 4.3% unemployment, though ranging from 2.7% in Czechia to 6.1% in Romania. Harmonized inflation averaged 4.4% in Q3 and is expected to ease to 3.8% this year and 3.2% in 2026.

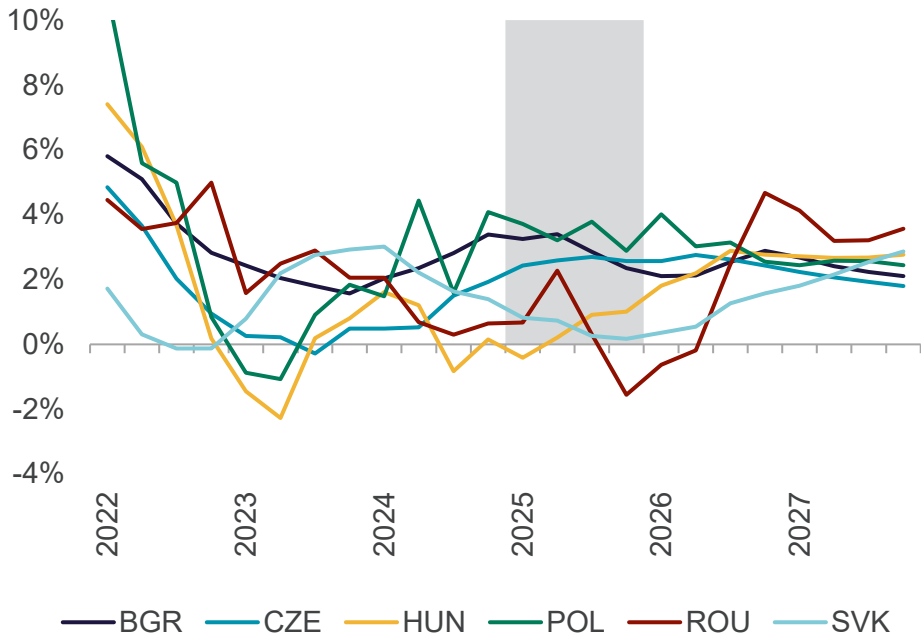
Retail sales rose 2.4%, underscoring resilient household spending, while industrial production declined 1.3% year-over-year, reflecting mixed performance across export-oriented industries. Even so, stable demand fundamentals and ongoing nearshoring continue to support the region's economic outlook.

MARKET TRENDS: LARGE, MATURING MARKET WITH TARGETED DEVELOPMENT

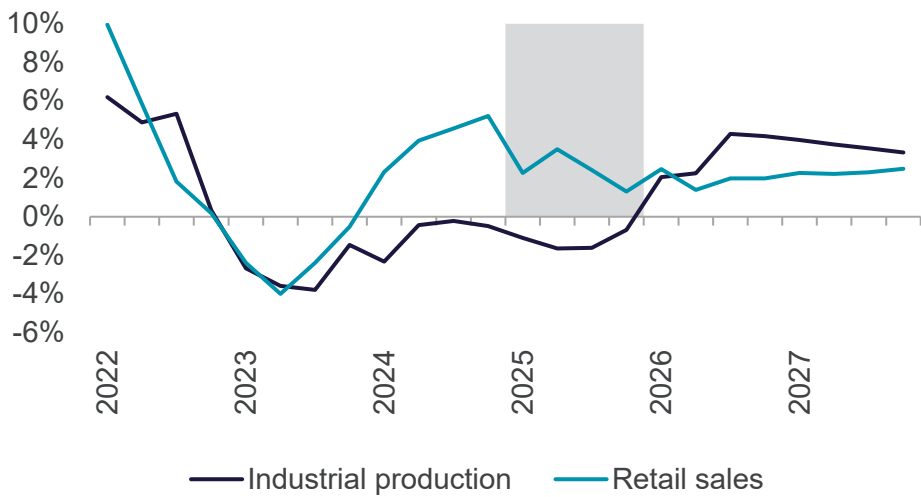
Total CEE industrial stock reached the 70-million-sq-m threshold. Poland accounts for 52% of the regional footprint, while Czechia remains the most saturated market at 1,213 sq m per 1,000 residents. Vacancy averaged 7.2%, ranging from 4.0% in Czechia to 11.8% in Hungary (with Bulgaria's 1.3% reflecting Sofia only).

The region's development pipeline totaled 4.4 million sq m, slightly above Q2 but 7% below last year as developers prioritize pre-leased and build-to-suit projects. Speculative construction remains focused on mature industrial hubs, where take-up is highly predictable. Poland (35.7%) and Czechia (29.0%) dominate development. While Western Europe is concentrating on upgrading to modern, energy-efficient assets, CEE already has a comparatively modern stock; here, the priority is securing mature locations with stable demand. These trends align with broader European patterns: reduced speculative activity, more selective site strategies, rising demand for efficient space, and widening performance gaps between prime and secondary assets.

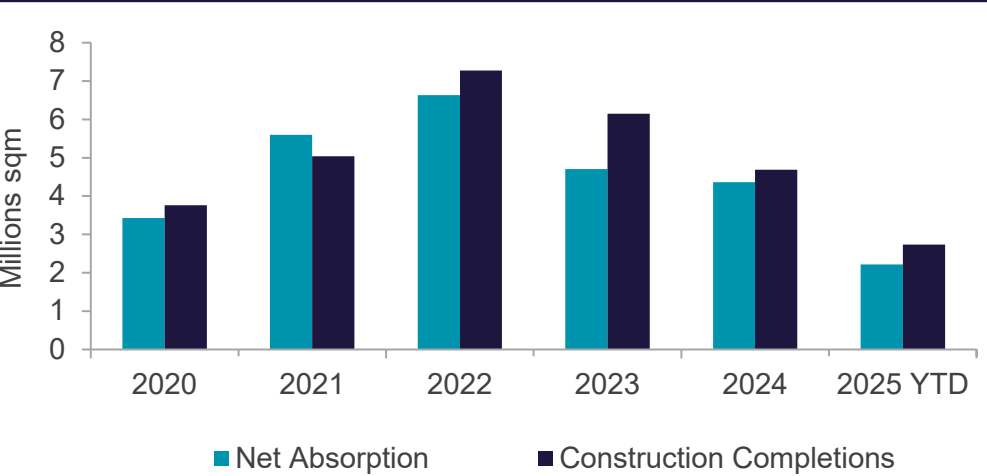
REAL GDP GROWTH (PPP)



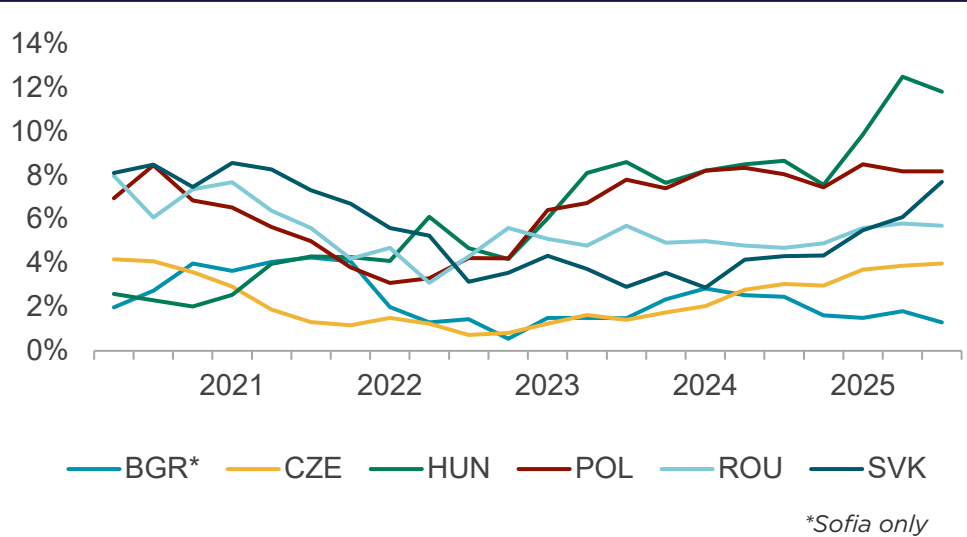
CEE-6 INDUSTRIAL PRODUCTION & RETAIL SALES



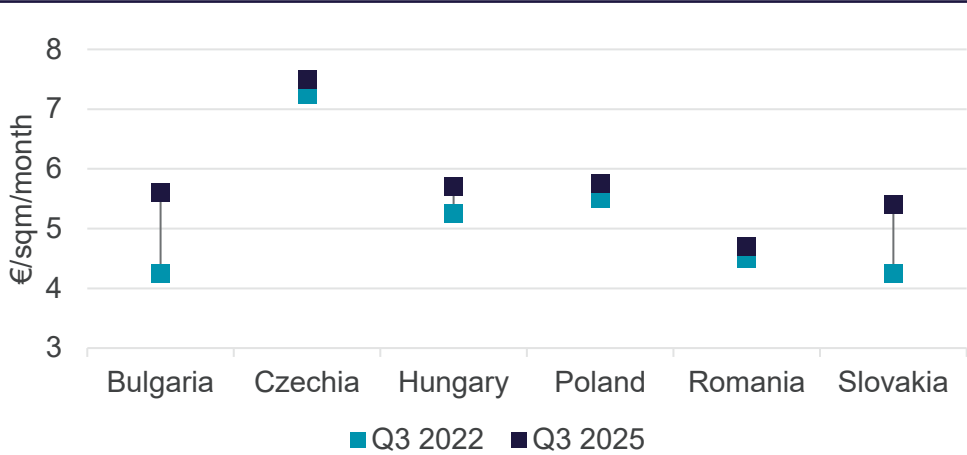
NET ABSORPTION / NEW SUPPLY



VACANCY RATE



PRIME RENT



STRONG OCCUPIER ACTIVITY PUSHES LEASING VOLUMES HIGHER

YTD gross take-up reached 7,709,300 sq m, up 20% year-over-year. Occupier sentiment improved across most markets, with Poland, Czechia, Romania, and Hungary all posting robust leasing activity. Manufacturing, logistics and e-commerce remained the key demand drivers.

Czechia delivered its strongest quarter since 2022, and Poland continued to lead in absolute volume despite a high share of renewals. Hungary recorded greater dynamism in regional hubs, while Romania saw a notable jump in net-new leasing. Bulgaria’s activity rose following recent completions. Slovakia was the only market posting a significant slowdown, with smaller deal sizes and cautious corporate decision-making, though stronger Q4 activity is expected.

COMPLETIONS SLOW AS DEVELOPERS STAY FOCUSED

New supply totaled 2,736,800 sq m YTD, 20% lower than last year, signaling a continued moderation in speculative development. Despite this slowdown, the construction pipeline remains meaningful, with the largest shares in Poland and Czechia.

Q3 completions were strongest in Poland and Czechia, while Hungary delivered fully pre-leased projects that immediately lifted net absorption. Romania maintained consistent deliveries supported by a stable pipeline. Bulgaria continued to build at an active pace relative to its scale, though new speculative supply remained limited. Slovakia saw steady but modest completions, with 58% of its pipeline already pre-committed. These dynamics point toward broadly stable vacancy through year-end.

PRIME RENTS HOLD STEADY, INCENTIVES RISING IN SELECT MARKETS

Prime rents across CEE remained stable in Q3 2025. Czechia held at €7.50/sq m in Prague; Budapest stabilized at €5.50/sq m; Romania remained at €4.70; Poland recorded steady headline rents with increasing incentives; Bulgaria’s capital Sofia stood unchanged at €5.60; and Slovakia edged slightly lower to €5.40 amid higher availability.

Market bifurcation continues to intensify. Well-located, ESG-compliant, modern facilities retain pricing resilience, while older properties face downward pressure on effective rents as landlords offer more generous packages. Capitalization rates are stable across most markets, with selective compression emerging only in the most supply-constrained Polish locations.

OUTLOOK

- The CEE industrial market enters the final quarter of 2025 with stable fundamentals and a constructive medium-term outlook.
- Vacancy is expected to remain broadly aligned with current levels, with pockets of tightening where pipelines remain limited.
- Nearshoring, supply-chain diversification, EV-sector investment and ongoing automation will continue to shape occupier strategies and reinforce demand for higher-quality space.
- With speculative development subdued, prime rental levels should remain firm, while older stock will require modernization or repositioning to stay competitive.
- Despite lingering geopolitical risks, the region’s industrial markets remain resilient, supported by strong demand, disciplined development and sustained infrastructure investment, creating a solid base for continued momentum into 2026.

MARKET STATISTICS

MARKET	STOCK (SQM)	AVAILABILITY (SQM)	VACANCY RATE	CURRENT QTR TAKE-UP (SQM)	YTD TAKE-UP (SQM)	YTD COMPLETIONS (SQM)	UNDER CONSTRUCTION (SQM)	PRIME RENT (SQM/MONTH)
Bulgaria (Sofia)	2,325,600	30,900	1.3%	34,000	81,500	91,800	347,800	€5.60
Czech Republic	12,858,100	512,500	4.0%	608,900	1,426,100	475,400	1,264,700	€7.50
Hungary	5,923,800	699,200	11.8%	235,700	675,500	268,400	472,800	€5.70
Poland	36,446,300	2,980,600	8.2%	1,590,700	4,546,200	1,546,600	1,556,900	€5.75
Romania	7,777,900	443,700	5.7%	235,200	749,600	209,300	412,200	€4.70
Slovakia	4,668,200	360,400	7.7%	64,400	230,300	145,300	311,400	€5.40
CEE-6 TOTALS	69,999,900	5,027,000	7.2%	2,768,900	7,709,300	2,736,800	4,365,800	

KEY LEASE TRANSACTIONS, Q3 2025

MARKET	PROPERTY	SUBMARKET	TENANT (SECTOR)	SIZE (SQM)	TYPE
Poland	Mapletree Piotrków II	Łódź	Agata S.A.	128,200	Renegotiation + Exp.
Poland	P3 Wrocław II	Lower Silesia	ID Logistics	78,100	Renegotiation
Romania	CTPark Bucharest West	Bucharest	Maersk - IB Cargo	76,000	Renegotiation
Czechia	VGP Park České Budějovice	South Bohemia region		54,600	Pre-lease
Czechia	Prologis Park Prague-Jirny	Greater Prague		52,200	New lease
Poland	7R Park Gdańsk V	Pomerania	Pepco	50,900	New lease
Poland	Mapletree Szczecin	West Pomeranian		49,600	Renegotiation
Czechia	Panattoni Park Ostrov – North	Karlovy Vary region		46,500	Expansion
Czechia	CTPark Prague North	Greater Prague	Procter & Gamble	36,800	Pre-lease
Hungary	IGPark Nyíregyháza	Northern Great Plain	(Manufacturing)	32,000	Pre-lease

KEY COMPLETIONS, Q3 2025

MARKET	PROPERTY	SUBMARKET	MAJOR TENANT	SIZE (SQM)	OWNER/DEVELOPER
Poland	7R Park Lublin	Lublin		57,500	7R
Poland	Panattoni Park Zgierz II (ext.)	Łódź - Zgierz		41,900	Panattoni
Poland	Hillwood Zelgoszcz (ext.)	Łódź - Stryków		32,800	Hillwood
Hungary	Rossmann HQ	Budapest East	Rossmann	32,000	OTP/Panattoni
Czechia	CTPark Blatnice	Pilsen region	Redcare Pharmacy	27,200	CTP Invest
Hungary	Xanga Park – Debrecen Déli Gazdasági Övezet	Northern Great Plain	Ghibli	22,000	Xanga Csoport
Czechia	CTPark Prague North	Greater Prague	Fulfillment CZ	19,000	CTP Invest
Czechia	Air Depo Tuchoměřice	Greater Prague	Confidential	16,200	KKIG
Romania	WDP Park Stefanesti	Bucharest	Metro	15,100	WDP
Hungary	VGP Park Budapest Aerozone B	Budapest East	Boxy Logistics	12,200	VGP

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