

AMRON-SARFiN Report

on housing loans
and real estate transaction prices

1 / 2025



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REPORT IN NUMBERS

PLN 494.205 billion

total housing loans debt

change Q1 2025/Q4 2024 (q/q)





















0.14 % 

change Q1 2025/Q1 2024 (y/y)

2.11 % 

Q1 2025

change Q1 2025/Q4 2024 (q/q) change Q1 2025/Q1 2024 (y/y)

PLN 2.192 million	number of active loan agreements	2.11% 	4.29% 
48 111	number of concluded agreements	2.74% 	25.41% 
PLN 20.397 billion	value of concluded agreements	2.68% 	24.10% 
PLN 424 370	average value of a housing loan	0.60% 	1.67% 
140.68 points	Housing Availability Index (HAI M3)	1.90 points 	7.61 points 
26.69%	share of new housing loans with LtV above 80%	0.53 pp 	11.61 pp 
99.08%	share of new housing loans in PLN. by value	0.03 pp 	0.38 pp 
63.56%	share of new housing loans with lending period of 25-35 years	4.66% 	2.41% 
PLN 15 007	average transaction price per square meter of a dwelling in Warsaw	1.46% 	7.30% 
PLN 2 286	average monthly rent rate of a dwelling in Warsaw	1.07% 	2.70% 



THE RESULTS OF Q1 2025 CONFIRMED THE HIGH STABILITY OF THE MORTGAGE LOAN MARKET, WHICH HAS CHARACTERIZED THIS MARKET FOR THE PAST THREE QUARTERS OF 2024. WHEN WE LOOK AT THE RESULTS OF THE LAST FOUR QUARTERS, IT CAN BE SEEN A SLIGHT BUT SYSTEMATIC INCREASE IN BOTH THE NUMBER AND VALUE OF LOANS GRANTED. HOWEVER, THE TREND OF INCREASING THE AVERAGE VALUE OF NEWLY GRANTED MORTGAGE LOANS HAS SLOWED DOWN.

Jacek Furga, Ph.D.

*Chairman of the Real Estate Finance Committee,
Polish Banks Association and President of the
Management Board of Centre of Banking Processes
and Information (Centrum Procesów Bankowych
i Informacji Sp. z o.o.)**

Dear Readers,

it is the sixty-third edition of the AMRON Centre Report published by the Polish Banks Association. For 16 years we have been systematically providing you with up-to-date information on lending activity of Polish banks in the area of housing financing, as well as on trends and transaction prices on the residential real estate market. In current edition of the Report we present results of the first quarter of 2025 in relation to results of the few previous quarters.

The results of Q1 2025 confirmed the high stability of the mortgage loan market, which has characterized this market for the past three quarters of 2024. Between January and March of this year, banks in Poland concluded over 48 thousand loan agreements for a total amount of PLN 20.4 billion. Although this result was by 25% lower compared to the first quarter of last year, it should be remembered that a year ago the banking sector was still finalizing the last loan applications from the '2% Safe Loan' program from 2023. When we look at the results of the last four quarters, it can be seen a slight but systematic increase in both the number and value of loans granted. However, the trend of increasing the average value of newly granted mortgage loans has slowed down, with the average at the end of Q1 2025 amounting to PLN 425 thousand.

The decline in both the number and value of residential mortgage loan portfolio in the

banking sector, observed since the end of 2021, continued. The number of active residential mortgage agreements in Poland at the end of Q1 2025 amounted to 2.192 million loans with a total value of PLN 494 billion. This meant a decrease in the number of active loans by over 14%, i.e. nominally by 356 thousand loans, compared to the end of the record-breaking year 2021 – still, more loans were being repaid than new ones were being taken out. The slowdown in the growth of transaction prices for apartments, rising wages, and the emerging public opinions of experts about expected NBP interest rate cuts (the first rate cut since October 2023, by 0.50 pp, was announced on May 7th this year and will undoubtedly help realize our last year's forecasts regarding loan activity in 2025) all support decision-making regarding taking out a mortgage. All this contributes to an increase in creditworthiness, which was also visible in the chart of the Housing Availability Index monitored by the AMRON Centre.

A positive phenomenon was the continued decline in the share of loans with an LtV ratio above 80%. Their share decreased from a record high of 38.3% in Q1 2024 to 26.69%. This was a natural correction of changes caused by the combination of '2% Safe Loan' programme with another product of the previous government – the government guarantee for the borrower's missing down payment. The borrower's own contribution has played and should continue

to play a significant role in assessing the creditworthiness of potential borrowers.

A worrying signal, as it indicates weaker financial standing of new borrowers, was the extension of the maturity period of newly granted loans. Compared to the results recorded in Q4 2024, the share of loans with a maturity up to 15 years decreased by 1.01 pp, and those with a maturity from 15 to 25 years – by 3.67 pp. At the same time, the share of mortgage loans granted for the period between 25 and 35 years increased by 4.66 pp. This should be noted especially in the context of the very high quality of the current portfolio of loans granted in PLN. As of the end of March 2025, the share of non-performing loans in the total portfolio of residential loans amounted to 1.52%, representing a decrease by 0.07 pp compared to the previous quarter and by 0.20 pp compared to a year ago. The quality of the foreign currency loan portfolio, especially those in CHF, has also improved significantly. The share of non-performing CHF loans at the end of the analysed quarter accounted for 11.51%, compared to 16.02% a year earlier.

The residential sector noted a slight slowdown in the first quarter of 2025. Developers, who spent 2024 rebuilding their residential offer, ended 2024 with a stock of 55 800 apartments in the seven largest markets. In some locations, this meant a stock of unsold apartments reaching up to three times the average quarterly sales. In addition, at the beginning of this year, there were over 74 thousand unique offers available on the secondary market in provincial cities. It was therefore not surprising that the number of building permits for apartments in the first quarter of this year decreased significantly, by over 20% year-on-year, and the number of constructions started was by 13% lower than a year ago. The number of dwellings completed by developers was by only 4.7% lower than a year ago, but almost 22% lower than in the previous quarter.

Increase in transaction prices per square meter clearly slowed down in the second half of 2024. Q1 2025 confirmed this trend, stabilizing the housing market situation. In Wroclaw, Gdansk and Poznan, even a slight correction in transaction prices were recorded, ranging from -0.51% to -1.01%. In the first three months of this year, the highest

increase in the average transaction price per square meter of usable area was recorded in Cracow – to PLN 14 351/sqm., which meant an increase by 2.1%. In Warsaw, the average price increased to PLN 15 007/sqm., which was by 1.46% more compared to Q4 2024.

Compared to the same quarter of 2024, the largest price increases were recorded for dwellings in Cracow (16.53%) and Wroclaw (10.49%). Year-on-year price increases in Warsaw (7.30%), Poznan (6.92%), and Gdansk (5.84%) were at the level of quarterly increases recorded in 2023. The lowest price increase by 1.48%, recorded in Lodz, best reflects the atmosphere on the housing market.

Stabilization has also prevailed on the rental market. Increases in rent rates compared to the previous quarter were recorded only in Gdansk (1.71%) and Lodz (1.87%). In Cracow and Poznan, these increases were symbolic, and in Warsaw and Wroclaw, even declines in rent rates were recorded. Compared to the same period last year, increase in rent in Lodz by 7.08% was surprising, while the average increase in other locations amounted to 3–4%.

It has been over a year and a half since the government was formed by the new coalition. Unfortunately, during this time, there have been no systemic changes, ideas, or regulations to support the development of residential construction. Even in the ongoing presidential campaign, there is a lack of substantive proposals to improve the housing situation in Poland.

We are still waiting for a new draft law on REIT funds. Amending the Tenant Protection Act, introducing a balance of rights and obligations between landlords and tenants, would help supply the rental market with new units.

Without improving the housing situation, it will be difficult to stop the accelerating demographic crisis. One way is to increase the supply of housing in various segments. Currently, despite announcements of further reforms and programmes to support construction, there is no stable form of support in place. The announced 'First Keys' programme is controversial. Focusing aid exclusively on the secondary market is debatable, given that the construction market is

not only about apartments, but the entire chain of related sectors: from material producers, through logistics, to local contractors.

In recent days, several ideas have emerged for organizing information about the real estate market. For now, however, the proposed actions appear inconsistent. Since autumn 2024, legislative work has been underway on a government bill for a portal with transaction prices. The 'DOM Portal' project is currently under review by the first committee of the Council of Ministers – the Committee for Digitization. At the same time, Deputy Minister of Development and Technology Tomasz Lewandowski announced the creation of the Central Register of Premises, a nationwide register of residential dwellings, both owner-occupied and rented. The Central Register of Premises would collect up-to-date data on apartments usage. On April 24, 2025, the Sejm passed a law requiring developers to create a website providing information on the prices of apartments offered for sale. In addition to an information prospectus and contact details, the website will be required to include the price per square meter of the apartment/house and associated premises (storage room, parking space, etc.).

Instead of seeking centralized solutions, we are moving towards further dispersal of information, imposing additional reporting obligations on market participants and generating the risk of inconsistency in the same information collected in so many places. Already today, real estate data are collected in many databases and registers, which makes their use and analysis difficult. One such

register is the Central Register of Building Emissions (CEEB), which collects information, among others, on heat sources, buildings addresses and their owners. Transaction prices are collected in 380 county offices maintaining County Real Estate Price Registers and independently by, among others, the National Revenue Administration (KAS). Meanwhile, the Integrated Real Estate Information System (ZSIN), which has been under implementation since the late 1990s, will continue for another 10 years – the initial launch date of 2016 has been postponed to 2036.

Given the subsequent ideas for collecting data on the real estate market, the ZBP's initiative to implement the Electronic Real Estate Card in Poland, already more than 10 years old, is gaining importance. It guarantees the consistency and reliability of information collected in these various records and registers. We are ready to discuss effective solutions for the development of housing in Poland.

I invite you to read the Report. We will be obliged for any comments that will help us improve its future versions. Please send your questions and suggestions to the following e-mail address: raport@amron.pl.

Jacek Furga, Ph.D.

* AMRON Centre was established by Polish Banks Association to manage and develop the System for Analysis and Monitoring of Real Estate Market Transactions and it operates within the organizational structure of a limited-liability company Centre of Banking Processes and Information.

ANALYSIS OF MARKET ENVIRONMENT

The residential real estate market in the first quarter of 2025 was characterized by an atmosphere of anticipation and uncertainty. Despite significant interest in apartment purchases, this did not directly result in a higher volume of finalized transactions. This situation was a consequence, among others, of macroeconomic uncertainty and buyers' cautious approach.

The conditions prevailing on the market remained largely unchanged. Despite the increase in the supply of available units, high mortgage costs and persistently high housing prices remained a significant barrier for many potential buyers. As a result, for many Poles, the purchase of their own apartment remained financially out of reach, leading them to postpone the decision in the hope of a price decrease, interest rate cuts, or the introduction of another government support programme (although the 'First Keys' programme, in its current version, is anticipated to have a limited number of beneficiaries). Investors were also more restrained in purchasing additional apartments for rent due to lower profitability and increasingly frequent political proposals to raise taxes for owners of multiple apartments, or even to introduce an ad valorem property tax.

The only change in the first quarter worth mentioning was the appearance of the first slight quarterly declines in average apartment prices in a long time. This was a result of several important economic factors and structural market changes. Despite some slowdown in developers' activity

in the first quarter of 2025, the new supply of apartments exceeded the level of sales, leading to a record level of total available units in Poland's largest cities. It is worth noting that developers' offers have seen an increase in the share of popular-segment apartments, which needed to be rebuilt after the '2% Safe Loan' programme. High housing supply, combined with the limited creditworthiness of Poles and high financing costs, forced sellers to revise their initial expectations, thus limiting price growth. Nevertheless, the most important factor seems to be the change in the structure of properties being sold. In the first quarter of 2025, there was an increase in the share of cheaper apartments in sales, characterized by a lower standard of finish or located in less attractive areas.

In 2025, the rental market in Poland is experiencing a period of stabilization, which translates into a greater choice for tenants and the ability to negotiate rental rates and terms. The market is returning to equilibrium after a period of heightened demand following the outbreak of war in Ukraine. Demand for rental apartments has weakened, although from the perspective of property owners and investors, it remains at a satisfactory level.

It seems that the 50 basis point interest rate cut, decided by the Monetary Policy Council on May 8th this year, will have a decisive impact on the market's future development in the coming quarters.

KEY FACTS FROM THE RESIDENTIAL REAL ESTATE AND MORTGAGE MARKETS IN Q1 2025

MACROECONOMY

- **Stable interest rates** – in Q1 2025, the Monetary Policy Council maintained the NBP interest rates at their current levels (the reference rate has accounted for 5.75% since October 2023);
- **Slight slowdown in economic growth** – according to preliminary estimates by Statistics Poland, Poland's seasonally unadjusted GDP increased in real terms by 3.2% year-on-year in Q1 2025, which meant a decrease from 3.4% in the previous quarter, but still it was one of the highest GDP growth rates in the EU.
- **Slight inflation increase** – in Q1 2025, the Consumer Price Index published by Statistics Poland amounted to 101.4 in relation to the previous quarter (quarterly inflation rate: 1.4%) and 104.9 in relation to the same period of the previous year (annual inflation rate: 4.9%).
- **Stable unemployment rate** – at the end of March 2025, the registered unemployment rate amounted to 5.3%, what meant an increase by 0.2 pp in comparison to the end of the previous quarter.
- **Wage growth** – in Q1 2025, the average gross monthly wage in the enterprise sector amounted to PLN 8 736.49 and increased by 2.19% quarterly and by 8.17% year-on-year.
- **Low consumer optimism** – in Q1 2025, both current and future consumer confidence indicators increased compared to the previous quarter (BWUK by 1.5 pp and WWUK by 1.4 pp), but at the end of March 2025, both indicators remained below zero (BWUK amounted to -15.2 and WWUK accounted for -9.8), indicating a predominance of pessimistic over optimistic consumers.
- **Decline in construction material prices** – prices in March 2025 were by 1.2% lower than a year earlier. Annual price increases were recorded in three product categories, prices remained unchanged in four, and declines occurred in

thirteen categories (data from PSB Handel S.A.).

HOUSING LOANS MARKET

- **Increase in mortgage lending** – from January to March 2025, both the number and value of newly granted housing loans increased by almost 3% quarter-on-quarter – 48 111 new agreements for the amount of PLN 20.397 billion were granted. Compared to the same period last year, mortgage lending was lower by one-quarter, but it resulted from a high base related to the large number of loans granted in Q1 2024 under the '2% Safe Loan' programme. Since Q2 2024, a systematic increase in lending activity has been observed.
- **Decline in the number of active housing loans** – a quarterly decrease in the number of outstanding housing loans by over 2% (to the level of 2.192 million), with a minimal decrease in the total debt of Polish households from mortgage loans by just 0.14% (to the level of PLN 494.205 billion). This indicates that once again more loans were repaid than new agreements signed. Year-on-year, the number of active loans decreased by over 4%, while their value increased by over 2%.
- **Slowdown in the growth of average loan value** – the average value of new mortgage loans granted in Q1 2025 amounted to PLN 424 370, showing only minimal changes – a decrease by 0.6% quarter-on-quarter and an increase by almost 2% year-on-year. More significant changes occurred in the structure of granted loans. The share of loans exceeding PLN 400 thousand decreased by almost 5 pp over the past year, and at the same time, the share of loans with the highest LtV ratio (from 80%) diminished by 0.5 pp compared to the previous quarter and by almost 12 pp compared to Q1 2024.
- **Extension of loan maturities** – in Q1 2025, the share of loans with a repayment period below 15 years decreased by 1 pp, and those with a maturity from 15 to 25 years - by 3.67 pp. At the same time, the share of mortgage loans granted for the period between 25 and 35 years increased by 4.66 pp. This may indicate weaker financial standing of new borrowers, who extend the repayment period

to lower the monthly installment and increase creditworthiness.

- **Further improvement in the mortgage portfolio quality** – in Q1 2025, the share of non-performing loans in the total mortgage portfolio decreased to the level of 1.52%, i.e. by 0.17 pp compared to the previous quarter and by one-third on an annual basis. Despite a quarterly increase (by 0.41 pp) in the share of non-performing CHF loans (to the level of 11.51%), this ratio was nearly 30% lower than in the same period of 2024.

RESIDENTIAL REAL ESTATE MARKET

- **Decline in developers' activity** – after an intensive 2024, which developers ended with a record-high offer, their activity in the first months of 2025 weakened. According to GUS data, in the first quarter of this year, all categories of residential construction activity recorded worse results than a year ago. From January to March, developers obtained 40 404 building permits, which was by 20% less both quarter-on-quarter and year-on-year, and the number of constructions started was by 3% higher than in the previous quarter but by 13% lower than in the first quarter of the previous year (amounting to 36 531). In the same period, the number of dwellings completed by developers accounted for 27 737, which was by 22% less in comparison to the previous quarter (in line with seasonality), but also by 4.7% less year-on-year.
- **Slight correction in housing prices** – although apartment prices were still rising year-on-year, the first quarter of 2025 brought the first nominal declines in average apartment prices in two years compared to the previous

quarter. The increase in supply, combined with a slight decrease in sales, created natural pressure to lower prices, especially on the secondary market. However, the key factor seems to be the change in the structure of sold apartments. In Q1 2025, more cheaper units were sold, with lower standards or in less attractive locations. In the first three months of this year, small quarterly increases in the average transaction price per square meter of floor area were recorded in Cracow, Lodz and Warsaw – maximally by 2%. In Wroclaw, Gdansk and Poznan, average prices decreased slightly, up to 1% compared to the previous quarter. Compared to Q1 2024, all six largest markets in Poland recorded increases in the average transaction price per square meter, but the dynamics clearly decreased. Double-digit growth was registered only in Cracow (over 16%) and Wroclaw (10.5%), while in Lodz, the average price of residential units was by only 1.5% higher than a year earlier.

- **Stabilization of rent rates** – the first quarter of 2025 on the rental market was marked by continued weakened demand and increased supply, which also resulted in longer listing times. As a result, slight nominal increases in the average rent rate compared to the previous quarter were recorded in Lodz, Gdansk (almost 2%), and Cracow (below 1%). In Poznan and Wroclaw, the average rent remained at the level of Q4 2024, while in other two surveyed cities, even quarterly declines were observed - by 1% in Warsaw and by 1.64% in Katowice. Year-on-year, rents in all analysed cities continued to rise. The growth dynamic was surprisingly high only in Lodz, reaching 7%. In contrast, in Wroclaw increase by only 1.5% was noted, and in other locations - by about 3-4%.

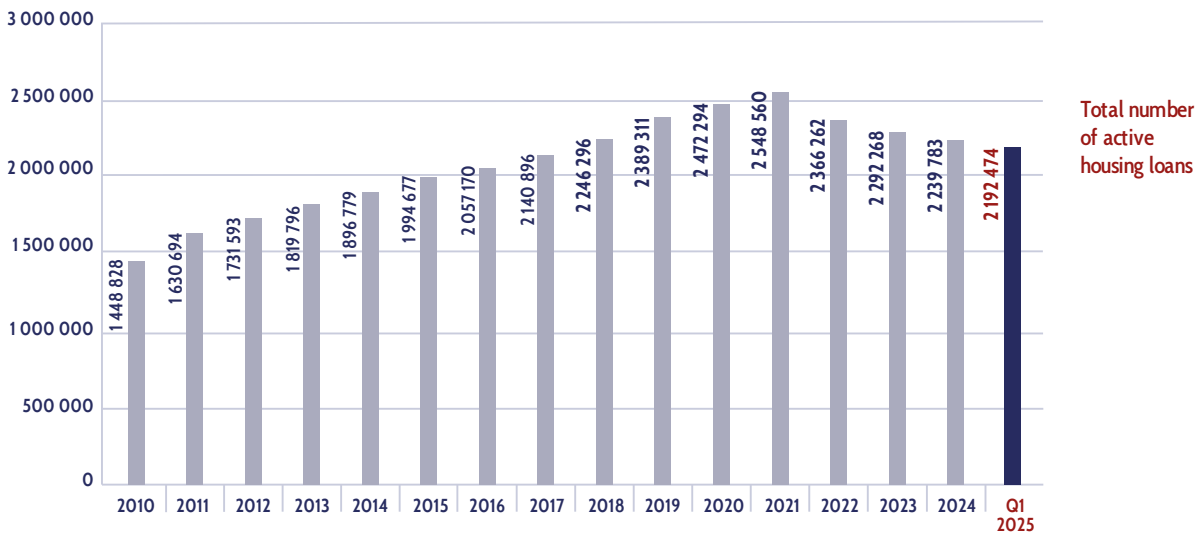
SITUATION ON HOUSING LOANS MARKET

Active housing loans

Total number of active housing loans

2 192 474

2.11% q/q
4.29% y/y



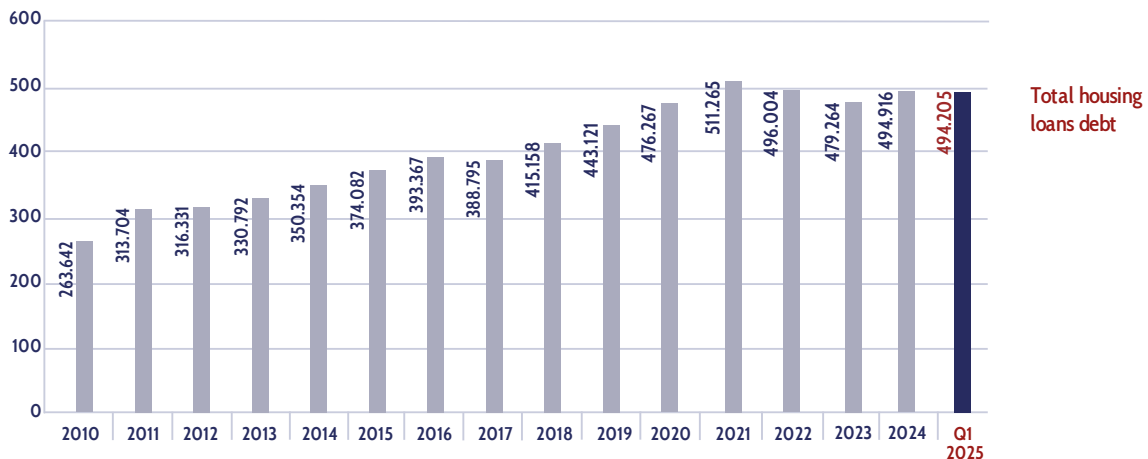
SOURCE: SARFIN

Total housing loans debt

Total housing loans debt

PLN 494.205 bn

0.14% q/q
2.11% y/y



SOURCE: SARFIN

New housing loans

Value of new housing loans

PLN 20.397 bn

2.68% q/q
24.10% y/y

Number of new housing loans

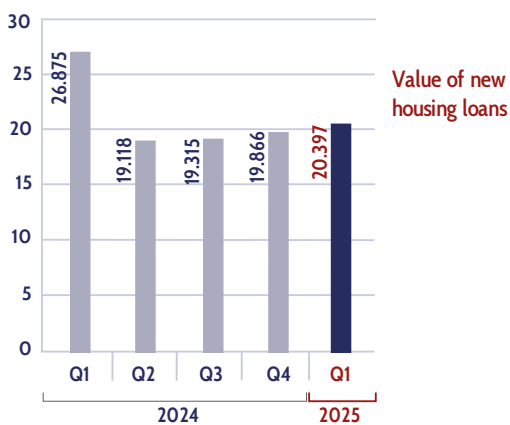
48 111

2.74% q/q
25.41% y/y

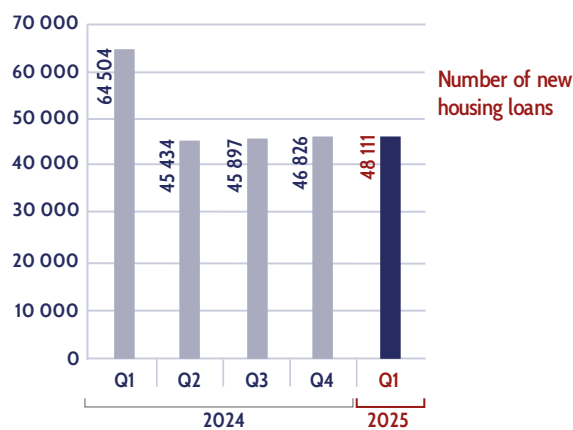
QUARTER	VALUE PLN BILLION	CHANGE / previous quarter	NUMBER	CHANGE / previous quarter
Q1. 2024	26.875	4.52% ↓	64 504	6.33% ↓
Q2 2024	19.118	28.87% ↓	45 434	29.56% ↓
Q3 2024	19.315	1.03% ↑	45 897	1.02% ↑
Q4 2024	19.866	2.85% ↑	46 826	2.02% ↑
Q1 2025	20.397	2.68% ↑	48 111	2.74% ↑

Value and number of new housing loans

SOURCE: SARFIN



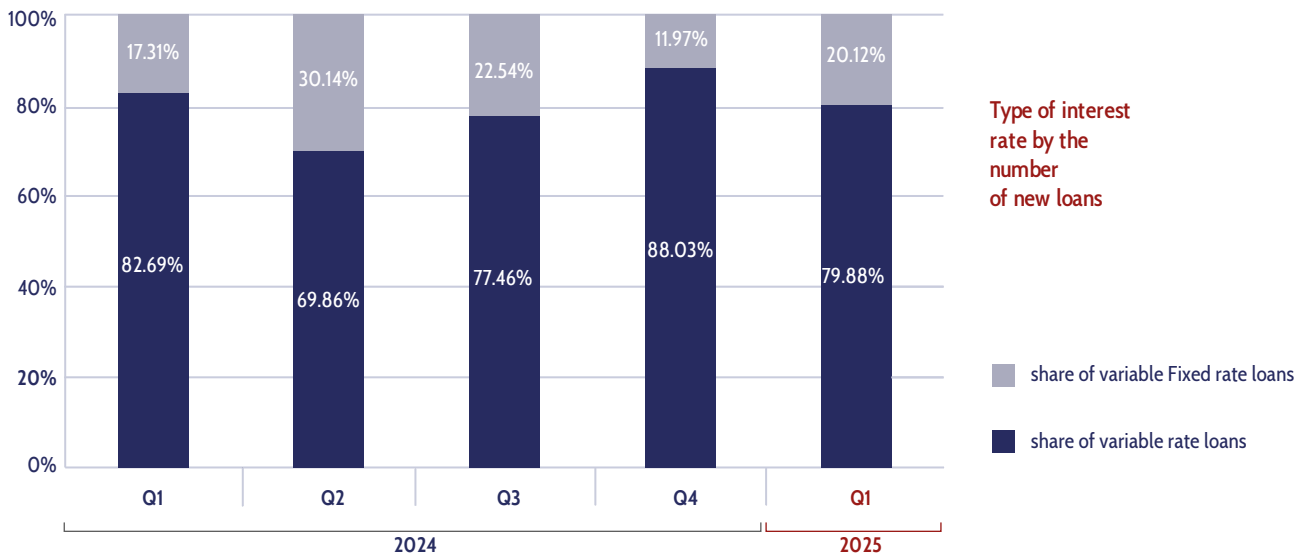
SOURCE: SARFIN



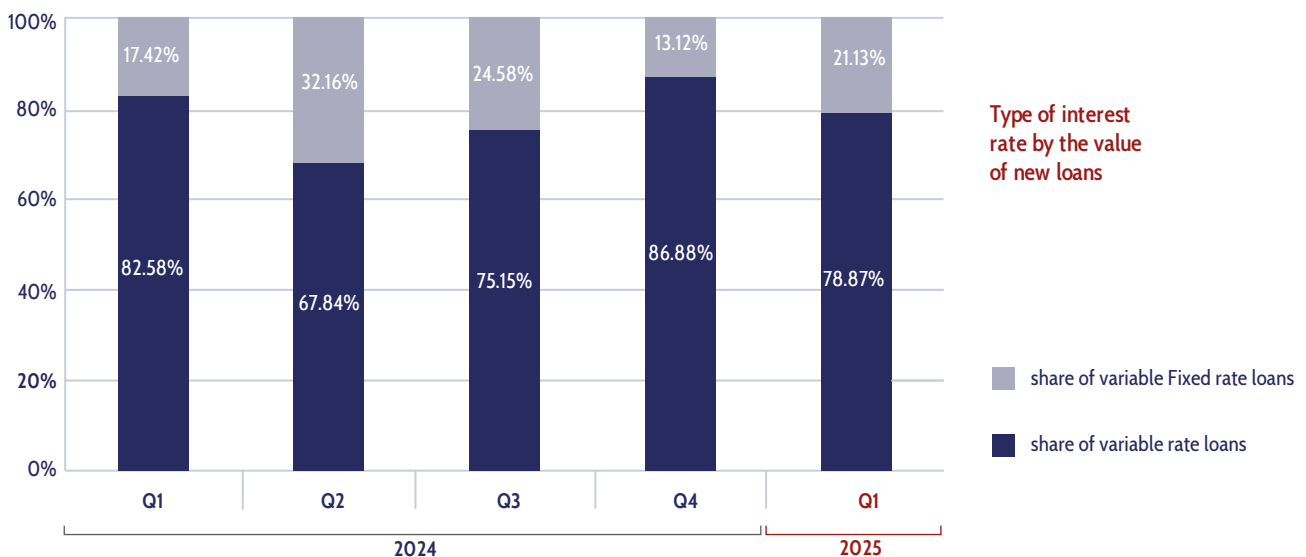
SOURCE: SARFIN

Loans with a Fixed Interest Rate

<p>Share in the value of new loans</p> <p>78.87%</p> <p>8.01 pp q/q ▾</p> <p>3.71 pp y/y ▾</p>	<p>Share in the number of new loans</p> <p>79.88%</p> <p>8.15 pp q/q ▾</p> <p>2.81 pp y/y ▾</p>
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------








SOURCE: AMRON CENTRE



SOURCE: AMRON CENTRE

Loan currency









PLN	CHF	EUR	INNE
99.08%	0.01%	0.87%	0.04%
0.03 pp q/q  0.38 pp y/y 	0.00 pp q/q 0.00 pp y/y	0.03 pp q/q  0.35 pp y/y 	0.00 pp q/q 0.03 pp y/y 

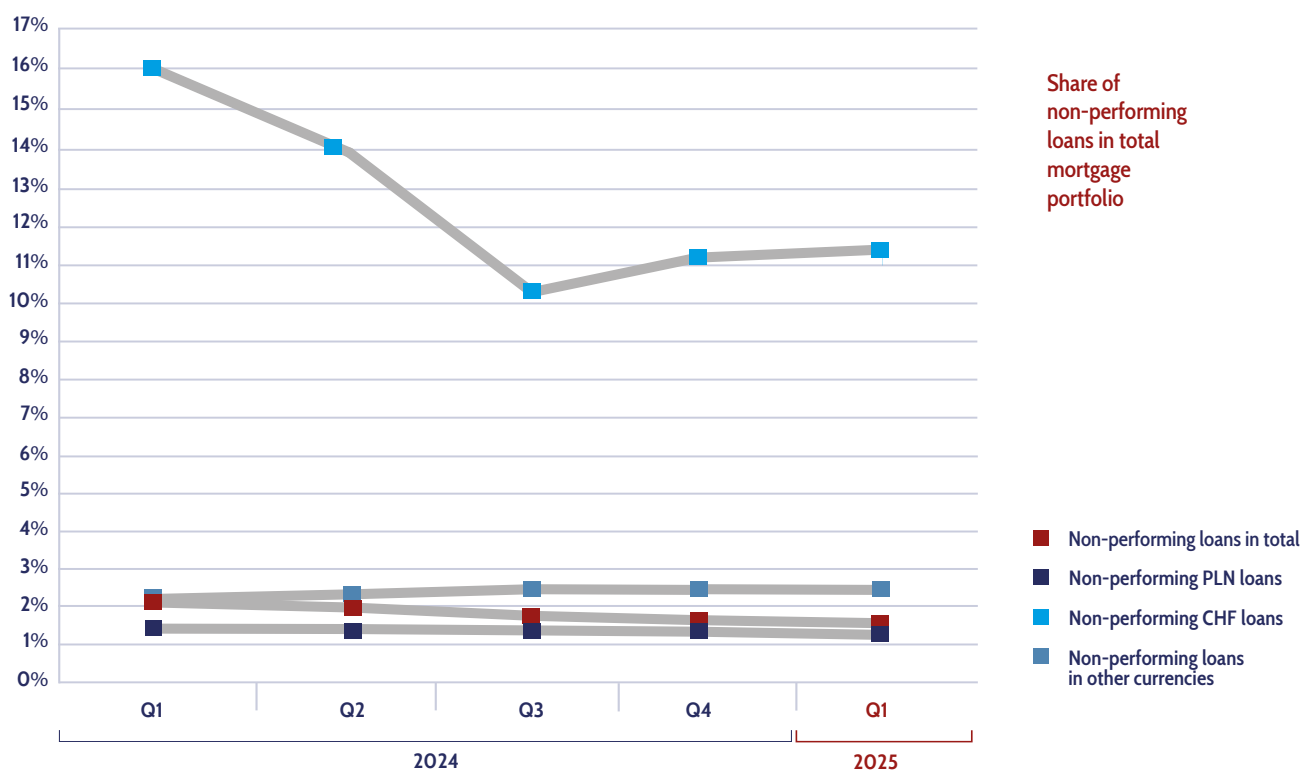
QUARTER	PLN	CHF	EUR	OTHER
Q1 2024	99.46%	0.01%	0.52%	0.01%
Q2 2024	99.10%	0.01%	0.85%	0.04%
Q3 2024	99.02%	0.01%	0.92%	0.05%
Q4 2024	99.11%	0.01%	0.84%	0.04%
Q1 2025	99.08%	0.01%	0.87%	0.04%

Currency structure of the value of new loans

SOURCE: SARFIN

Quality structure of mortgage loans portfolio

non-performing loans in total	non-performing PLN loans	non-performing CHF loans	non-performing loans in other currencies
1.52%	1.27%	11.51%	2.40%
0.17 pp q/q  0.62 pp y/y 	0.07 pp q/q  0.20 pp y/y 	0.41 pp q/q  4.51 pp y/y 	0.00 pp q/q  0.15 pp y/y 



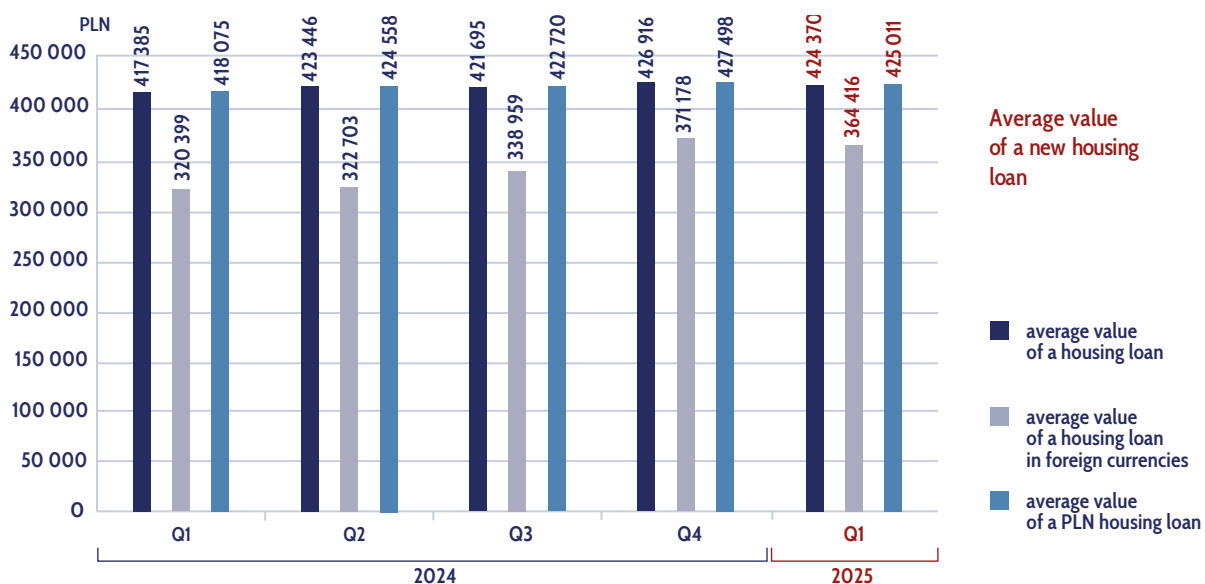
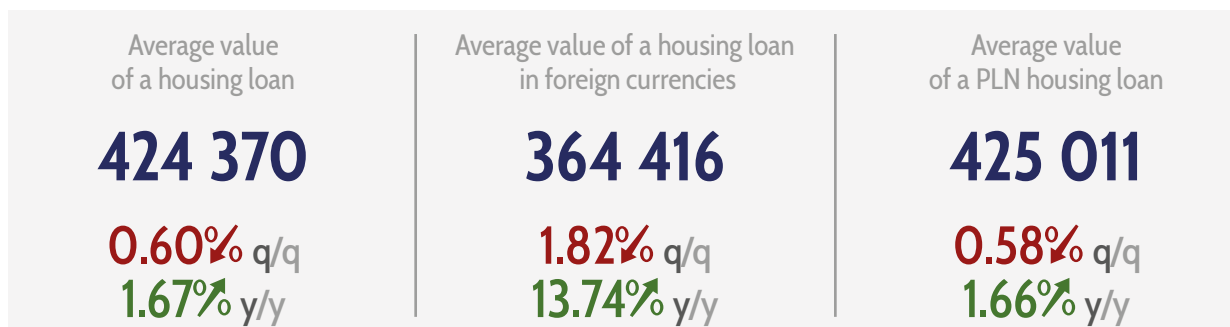
SOURCE: SOURCE: NATIONAL BANK OF POLAND

PERIOD	NON-PERFORMING LOANS IN TOTAL	NON-PERFORMING PLN LOANS	NON-PERFORMING CHF LOANS	NON-PERFORMING LOANS IN OTHER CURRENCIES
Q1 2024	2.14%	1.47%	16.02%	2.25%
Q2 2024	1.92%	1.44%	14.02%	2.34%
Q3 2024	1.69%	1.40%	10.22%	2.40%
Q4 2024	1.69%	1.34%	11.10%	2.40%
Q1 2025	1.52%	1.27%	11.51%	2.40%

Share of non-performing loans in total mortgage portfolio

SOURCE: SOURCE: NATIONAL BANK OF POLAND

Average value of a loan



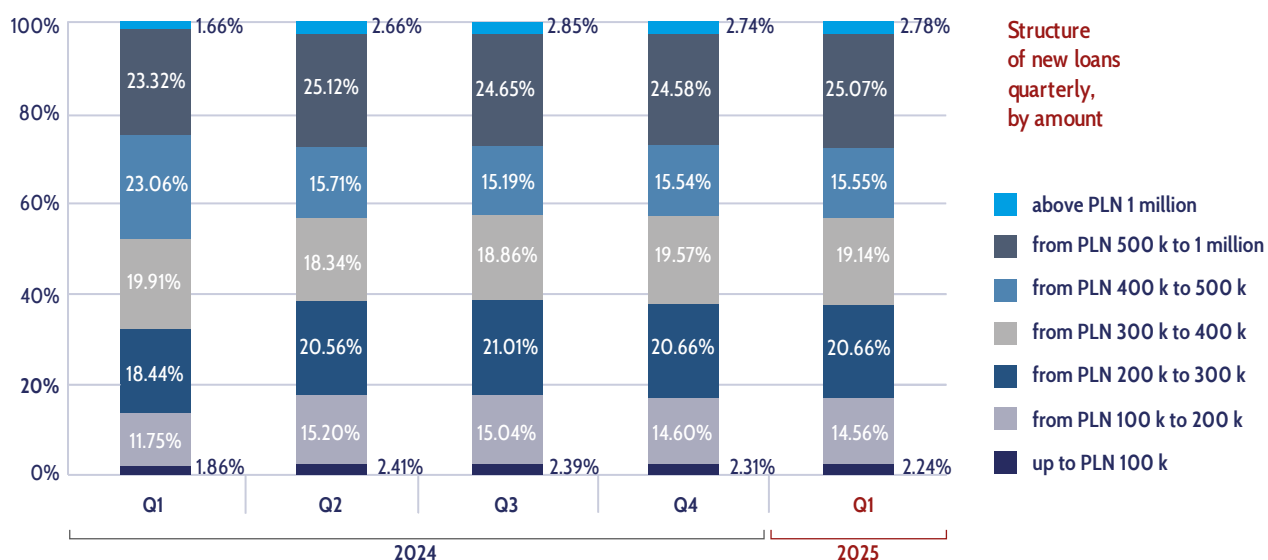
SOURCE: SARFIN

PERIOD	AVERAGE VALUE OF A HOUSING LOAN	AVERAGE VALUE OF A HOUSING LOAN IN FOREIGN CURRENCIES	AVERAGE VALUE OF A PLN HOUSING LOAN
Q1 2024	417 385	320 399	418 075
Q2 2024	423 336	322 703	424 558
Q3 2024	421 695	338 959	422 720
Q4 2024	426 916	371 178	427 498
Q1 2025	424 370	364 416	425 011

SOURCE: SARFIN

Structure of new loans, by amount

up to PLN 200 k	from PLN 200 k to 300 k	from PLN 300 k to 400 k	from PLN 400 k to 500 k	above PLN 500 k.
16.80%	20.66%	19.14%	15.55%	27.85%
0.11 pp q/q	0.00 pp q/q	0.43 pp q/q	0.01 pp q/q	0.53 pp q/q
3.19 pp y/y	2.22 pp y/y	0.77 pp y/y	7.51 pp y/y	2.86 pp y/y











SOURCE: SARFIN

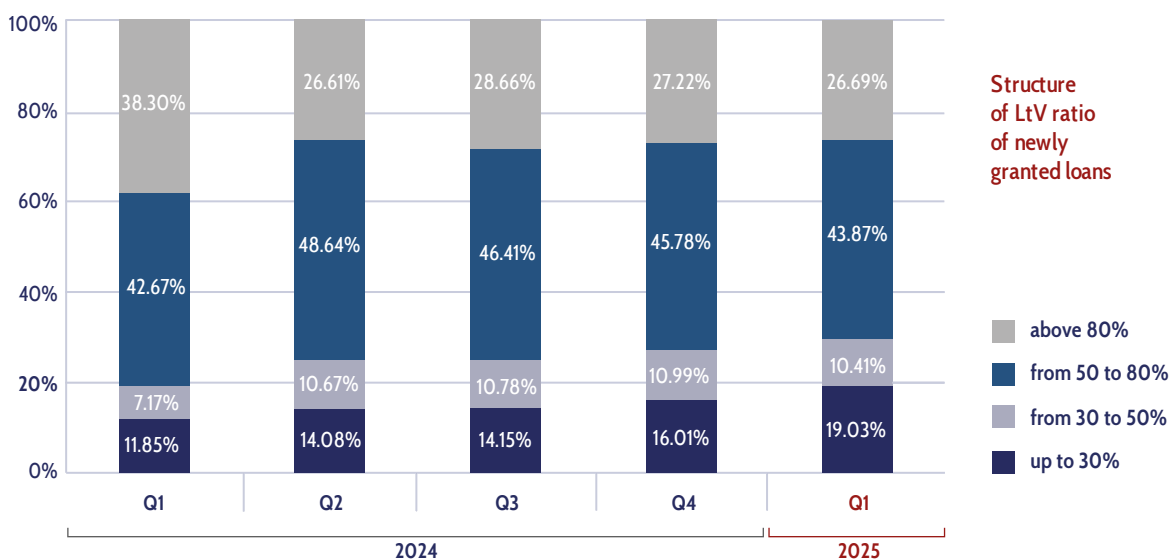
	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
up to PLN 100 k	1,86%	2,41%	2,39%	2,31%	2,24%
from PLN 100 k to 200 k	11,75%	15,20%	15,04%	14,60%	14,56%
from PLN 200 k to 300 k	18,44%	20,56%	21,01%	20,66%	20,66%
from PLN 300 k to 400 k	19,91%	18,34%	18,86%	19,57%	19,14%
from PLN 400 k to 500 k	23,06%	15,71%	15,19%	15,54%	15,55%
from PLN 500 k to 1 million	23,32%	25,12%	24,65%	24,58%	25,07%
above PLN 1 million	1,66%	2,66%	2,85%	2,74%	2,78%

SOURCE: SARFIN

Structure of new loans quarterly, by amount

Structure of new loans, by LtV ratio

up to 30%	from 30 to 50%	from 50 to 80%	above 80%
19.03%	10.41%	42.87%	26.69%
3.02 pp q/q  7.18 pp y/y 	0.58 pp q/q  3.24 pp y/y 	1.91 pp q/q  1.20 pp y/y 	0.53 pp q/q  11.61 pp y/y 











SOURCE: SARFIN

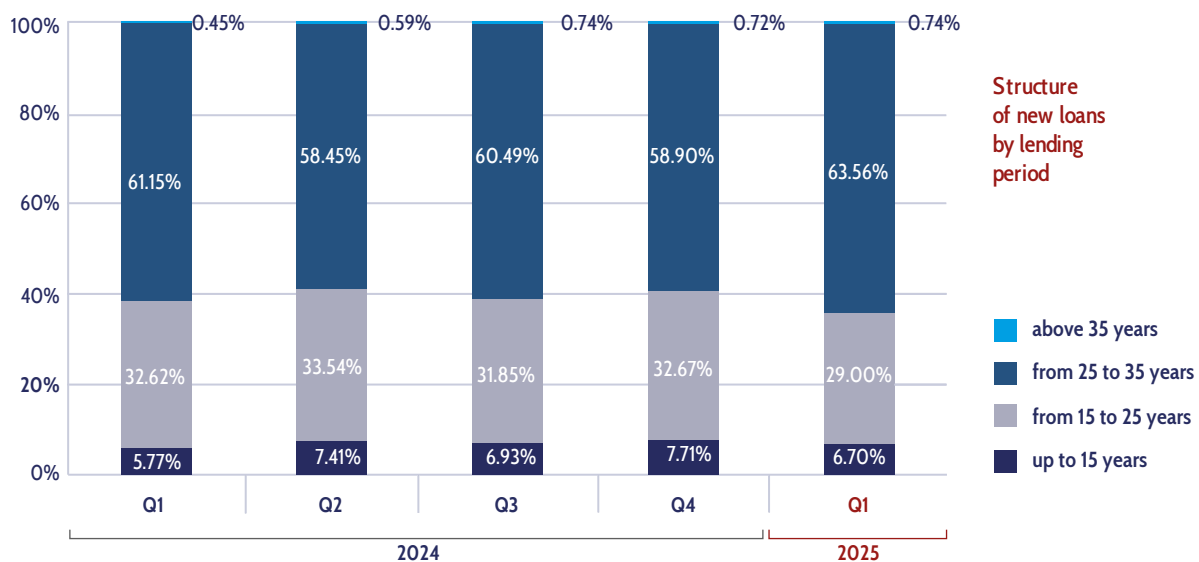
	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
up to 30%	11.85%	14.08%	14.15%	16.01%	19.03%
from 30 to 50%	7.17%	10.67%	10.78%	10.99%	10.41%
from 50 to 80%	42.67%	48.64%	46.41%	45.78%	43.87%
above 80%	38.30%	26.61%	28.66%	27.22%	26.69%

Structure of LtV ratio of newly granted loans

SOURCE: SARFIN

Lending period

up to 15 years	from 15 to 25 years	from 25 to 35 years	above 35 years
6.70%	29.00%	63.56%	0.74%
1.01 pp q/q  0.93 pp y/y 	3.67 pp q/q  3.62 pp y/y 	4.66 pp q/q  2.41 pp y/y 	0.02 pp q/q  0.29 pp y/y 



SOURCE: SARFIN

	Q1 2023	Q2 2024	Q3 2024	Q4 2024	Q1 2025
up to 15 years	5.77%	7.41%	6.93%	7.71%	6.70%
from 15 to 25 years	32.62%	33.54%	31.85%	32.67%	29.00%
from 25 to 35 years	61.15%	58.45%	60.49%	58.90%	63.56%
above 35 years	0.45%	0.59%	0.74%	0.72%	0.74%

Structure of new loans by lending period

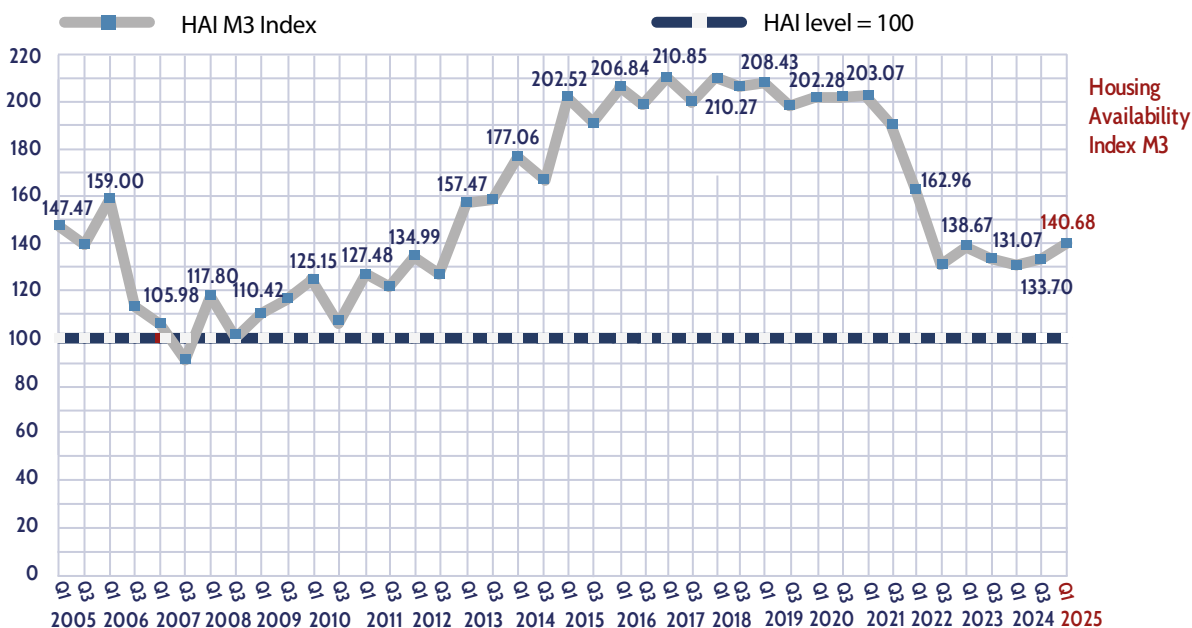
SOURCE: SARFIN

Housing Availability Index M3 – HAI M3

Average prices in analysed housing segment	Interest rates of newly granted loans	Average gross family income	Level of living costs
0.25% q/q 7.72% y/y	0.11% q/q 0.12% y/y	2.19% q/q 8.17% y/y	1.40% q/q 12.30% y/y

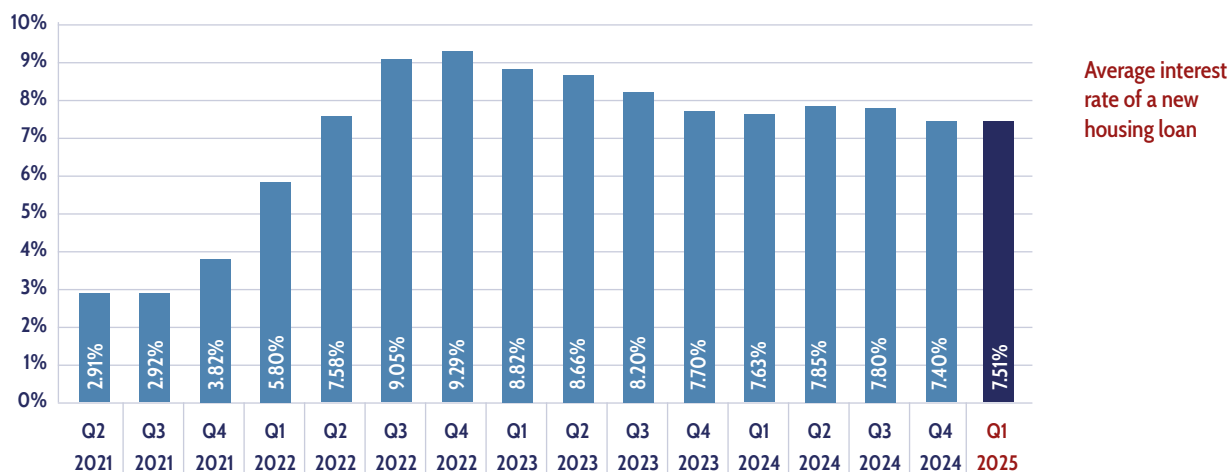
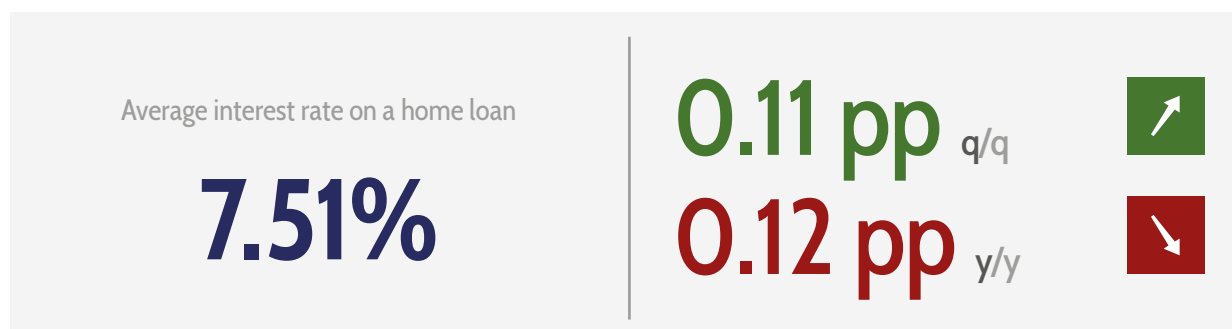
Housing Availability Index (HAI M3), a synthetic measure presented in AMRON-SARFiN Reports, shows quarterly changes in availability of housing units in Poland for the exemplary family comprising of two employed adults with one older child. A decrease of dwelling availability in Q3 2024 was influenced by the following factors:

- a slight transaction price decrease in analysed housing segment (with floor area from 45 to 55 sqm) in cities monitored in order to calculate HAI M3 Index (8 biggest cities) – by **0.25%** in relation to Q4 2024;
- a slight increase in interest rates of newly granted loans – according to National Bank of Poland, real interest rate of loans granted in Q1 2025 amounted to **7.51%** (while in Q4 2024 it was **7.40%**);
- an increase of the average gross family income by **2.19%** in Q1 2025 comparing to the previous quarter;
- a slight increase in the living costs level, which for the Report purposes are expressed as the minimum subsistence level of the previous quarter (calculated as inflation quarter on quarter due to the postponement of announcing the minimum subsistence level by the Institute of Labour and Social Affairs for the next quarter) – by **1.40%** in relation to Q4 2024.
- The disposable income for HAI M3 (being the difference between the family income and the amount of the loan instalment amount or the value of the minimum subsistence level – in order to calculate the Housing Availability Index M3, the lower amount is taken into account) increased by **2.06%**. After taking into account a decrease in housing prices, the housing availability index in Q1 2025 increased by **1.90 points**, to the level of **140.68 points**.



SOURCE: AMRON CENTRE

Average margin levels and mortgage interest rates



SOURCE: NATIONAL BANK OF POLAND

SITUATION ON HOUSING MARKET

Housing construction results

Developers' share in the number of housing units completed in Q1 2025

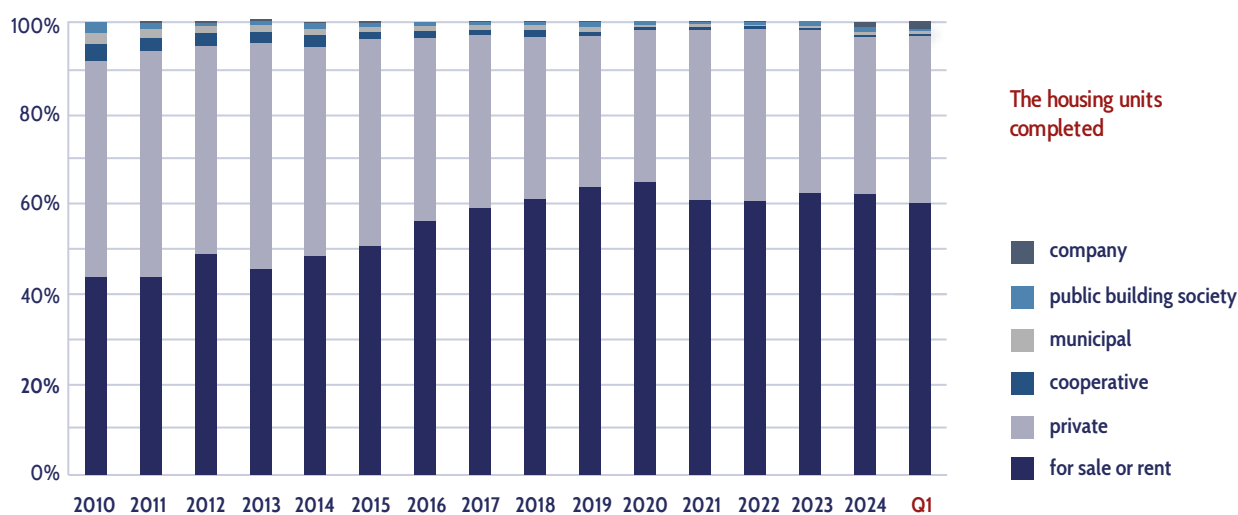
59.95%

2.01 pp y/y 

Share of private investors in the number of housing units completed in Q1 2025

36.88%

2.33 pp y/y 

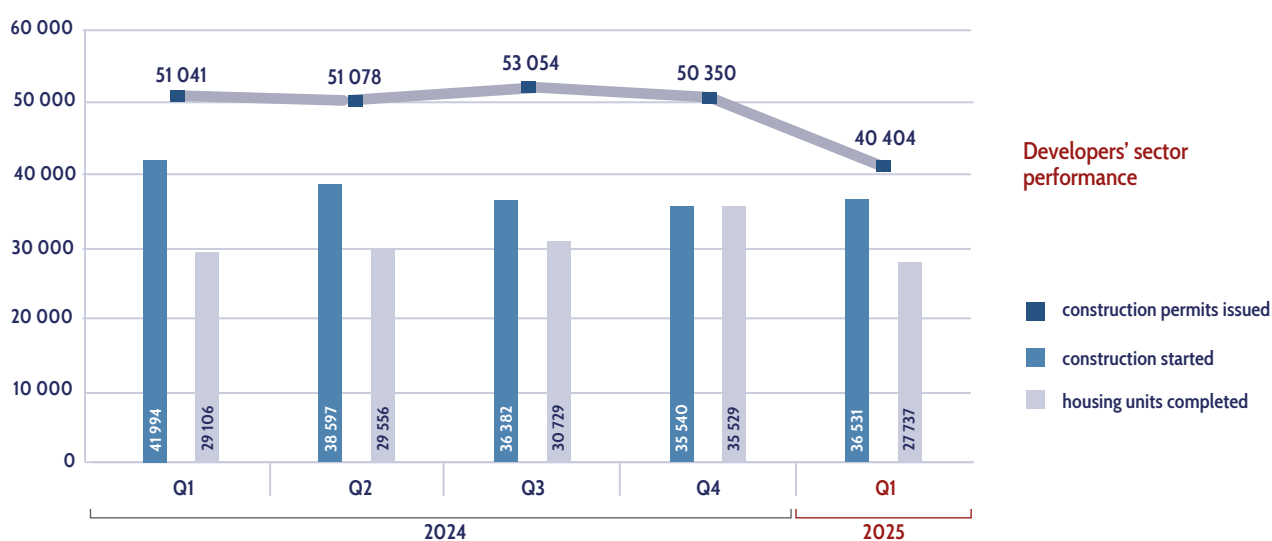


SOURCE: GUS

	private	cooperative	for sale or rent	municipal	public building society	company	
2010	64 622	5 052	59 324	3 418	3 129	290	The housing units completed
2011	65 442	3 786	56 925	2 500	1 980	321	
2012	70 269	4 194	74 367	2 389	1 146	539	
2013	71 952	3 493	65 723	2 218	1 308	442	
2014	66 266	3 490	68 928	2 177	1 715	590	
2015	67 753	2 115	74 425	1 686	1 265	467	
2016	65 706	2 707	91 516	1 746	1 340	310	
2017	67 657	2 311	105 027	1 715	1 486	146	
2018	66 220	3 024	112 317	1 863	1 510	129	
2019	69 226	2 167	131 435	1 838	2 467	292	
2020	73 991	1 498	142 691	1 009	1 615	27	
2021	88 130	2 019	141 941	1 260	1 215	115	
2022	90 734	1 513	143 971	629	1 606	37	
2023	79 365	1 006	137 583	1 232	2 017	56	
2024	69 652	1 285	124 920	1 275	1 913	2 565	
Q1 2025	17 064	210	27 737	238	277	740	

SOURCE: STATISTICS POLAND

Developers' sector performance

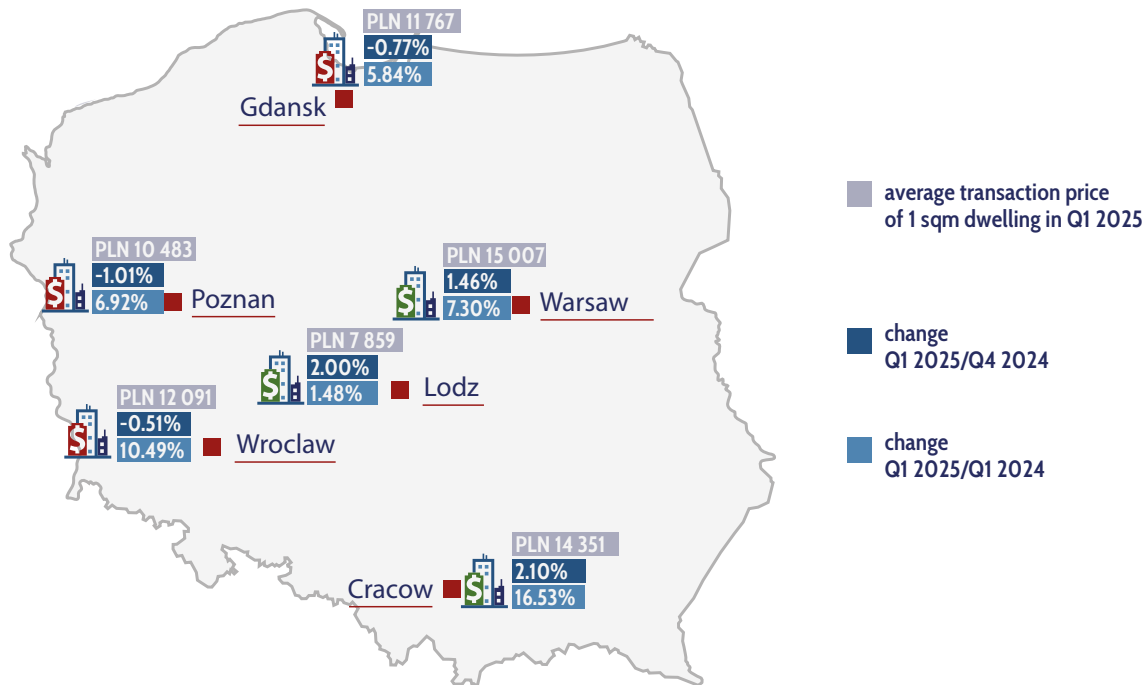


SOURCE: STATISTICS POLAND

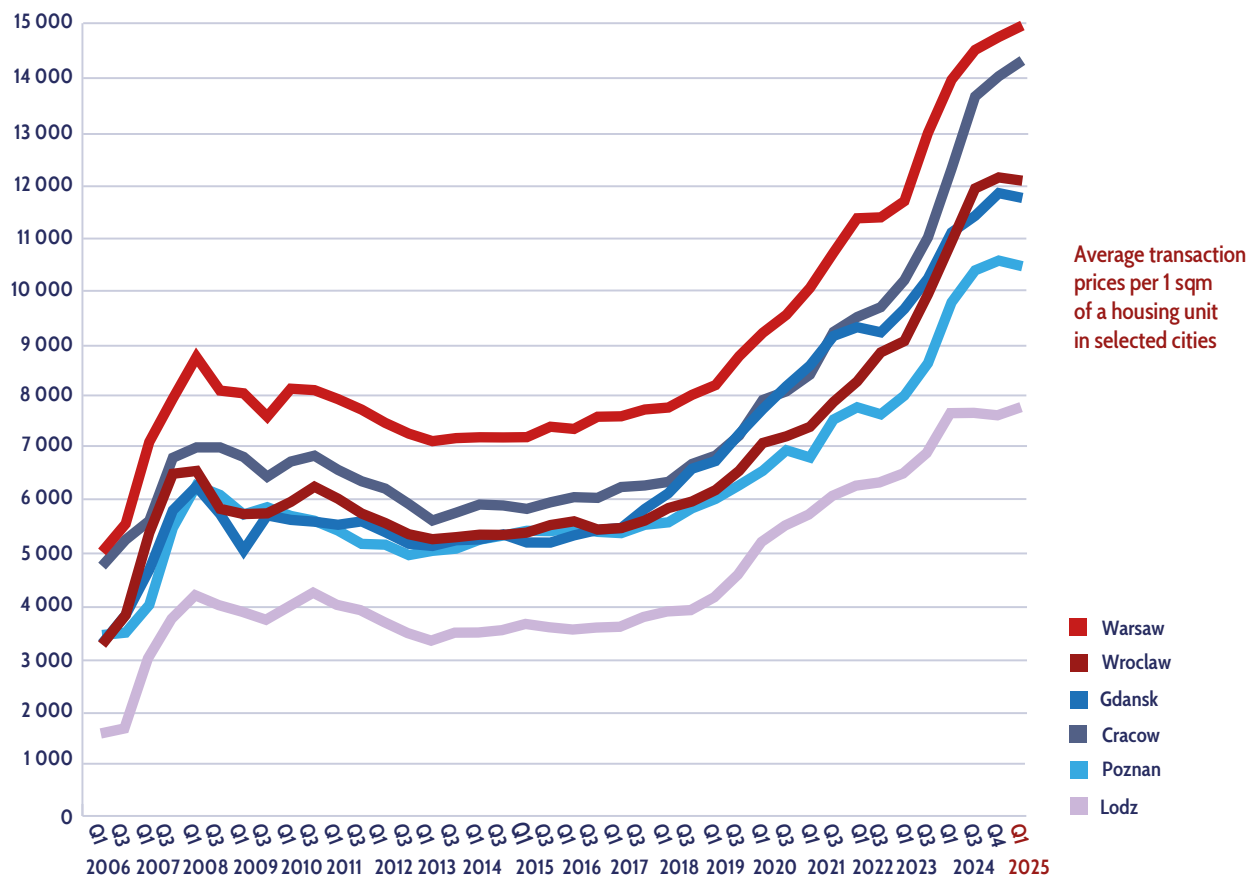
	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
construction permits issued	51 041	51 078	53 054	50 350	40 404
constructions started	41 994	38 597	36 382	35 540	36 531
housing units completed	29 106	29 556	30 729	35 529	27 737

SOURCE: STATISTICS POLAND

Average transaction prices of housing units



SOURCE: AMRON



SOURCE: AMRON

	WARSAW	WROCLAW	GDANSK	CRACOW	POZNAN	LODZ
Q1. 2018	7 824	5 936	6 215	6 429	5 668	4 017
Q2 2018	7 961	5 941	6 327	6 567	5 685	4 077
Q3 2018	8 062	6 060	6 676	6 765	5 932	4 042
Q4 2018	8 117	6 150	6 808	6 789	6 026	4 201
Q1 2019	8 247	6 275	6 821	6 922	6 109	4 284
Q2 2019	8 447	6 546	7 046	7 029	6 214	4 553
Q3 2019	8 790	6 638	7 329	7 301	6 366	4 709
Q4 2019	9 021	6 921	7 711	7 714	6 532	5 037
Q1 2020	9 228	7 160	7 797	7 968	6 637	5 324
Q2 2020	9 331	7 064	8 007	7 873	6 827	5 519
Q3 2020	9 568	7 286	8 227	8 132	7 023	5 633
Q4 2020	10 081	7 227	8 289	8 015	6 988	5 651
Q1 2021	10 073	7 464	8 616	8 446	6 887	5 839
Q2 2021	10 224	7 598	8 757	8 738	7 222	5 853
Q3 2021	10 738	7 932	9 173	9 249	7 601	6 189
Q4 2021	11 082	8 197	9 378	9 285	7 762	6 278
Q1 2022	11 382	8 317	9 337	9 528	7 831	6 382
Q2 2022	11 249	8 713	9 379	9 851	7 673	6 688
Q3 2022	11 400	8 863	9 241	9 714	7 699	6 443
Q4 2022	11 213	8 744	9 382	9 648	7 733	6 388
Q1 2023	11 704	9 076	9 681	10 221	8 052	6 611
Q2 2023	12 036	9 142	9 504	10 197	7 922	6 678
Q3 2023	12 988	9 955	10 254	11 027	8 660	6 995
Q4 2023	13 252	10 575	10 652	11 767	9 303	7 358
Q1 2024	13 986	10 943	11 118	12 316	9 804	7 745
Q2 2024	14 278	11 659	11 155	13 020	10 102	7 786
Q3 2024	14 548	11 946	11 432	13 676	10 406	7 751
Q4 2024	14 791	12 153	11 858	14 056	10 589	7 705
Q1 2025	15 007	12 091	11 767	14 351	10 483	7 859

Average transaction prices per 1 sqm of a housing unit in selected cities

SOURCE: AMRON

Average transaction prices of flats in smaller Polish cities

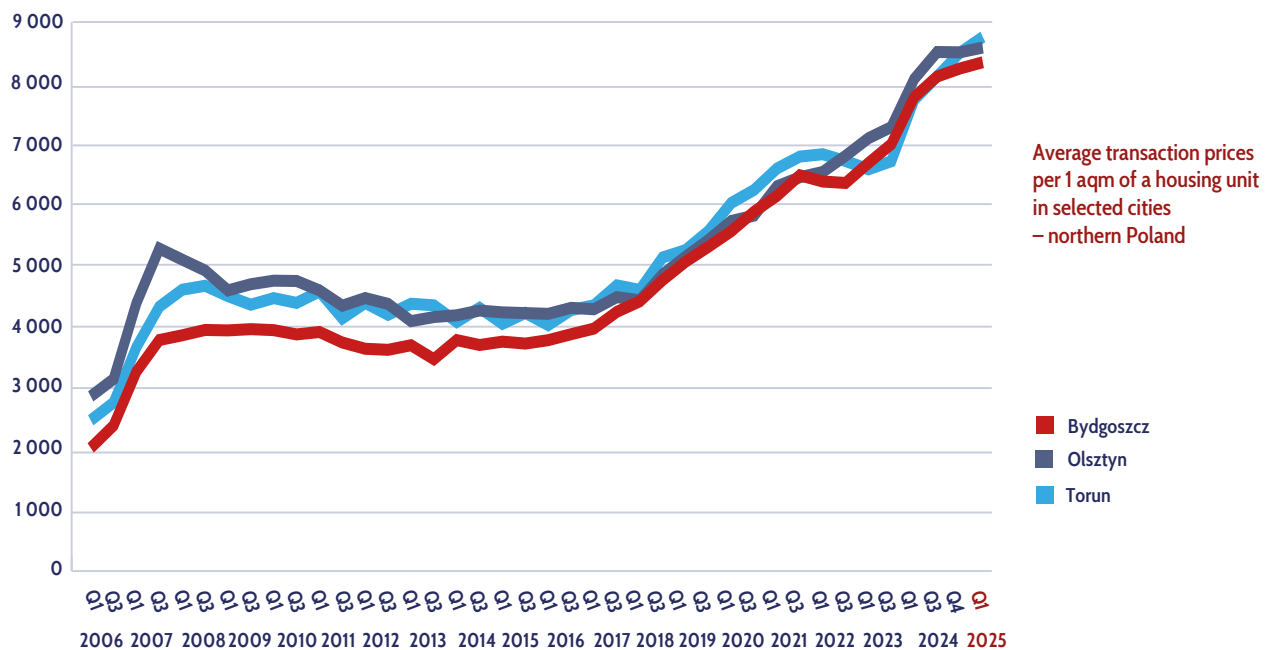
The analysis below presents changes in the average prices of 1 sqm of dwellings in all

voivodship capital cities and in the largest cities of the Katowice agglomeration, by regions.

Region – northern Poland

city	Price in Q1 2025	Change Q1 2025/ Q4 2024	Change Q1 2025/ Q1 2024
Bydgoszcz	8 426	1.21%	7.17%
Olsztyn	8 584	0.91%	6.29%
Torun	8 673	3.01%	13.29%

SOURCE: AMRON

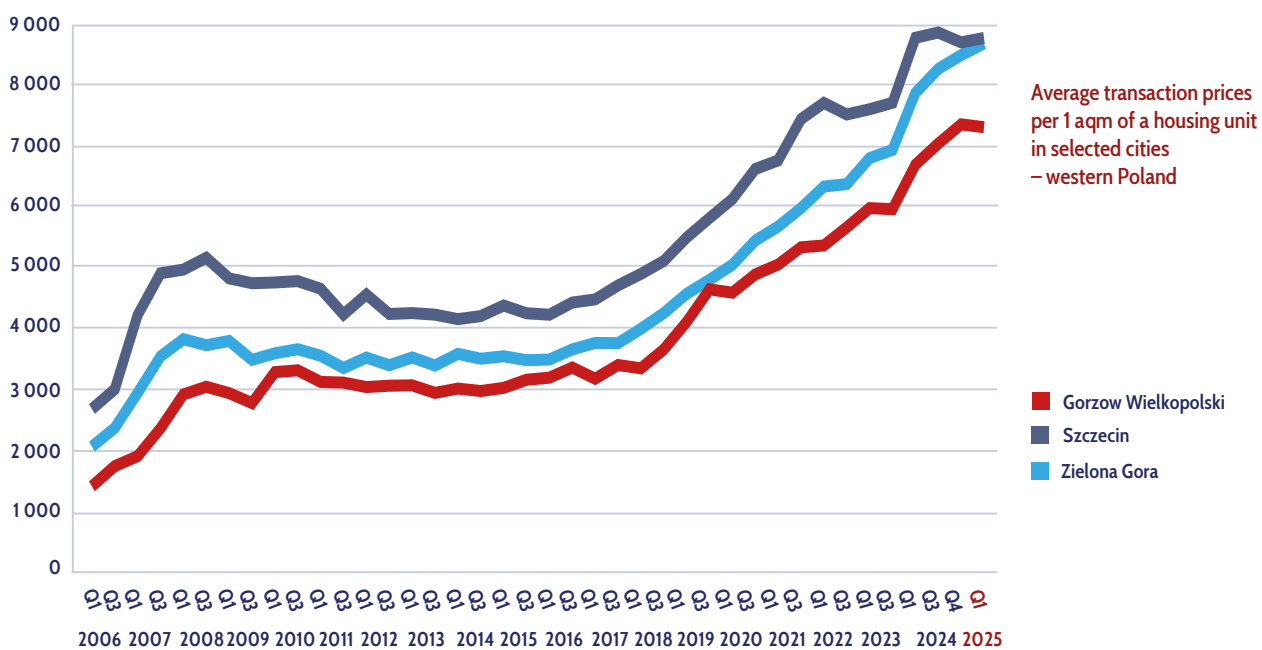


SOURCE: AMRON

Region – western Poland

city	Price in Q1 2025	Change Q1 2025/ Q4 2024	Change Q1 2025/ Q1 2024
Gorzow Wielkopolski	7 310	-0.62%	9.04%
Szczecin	8 714	0.83%	-0.03%
Zielona Gora	8 585	2.26%	10.29%

SOURCE: AMRON

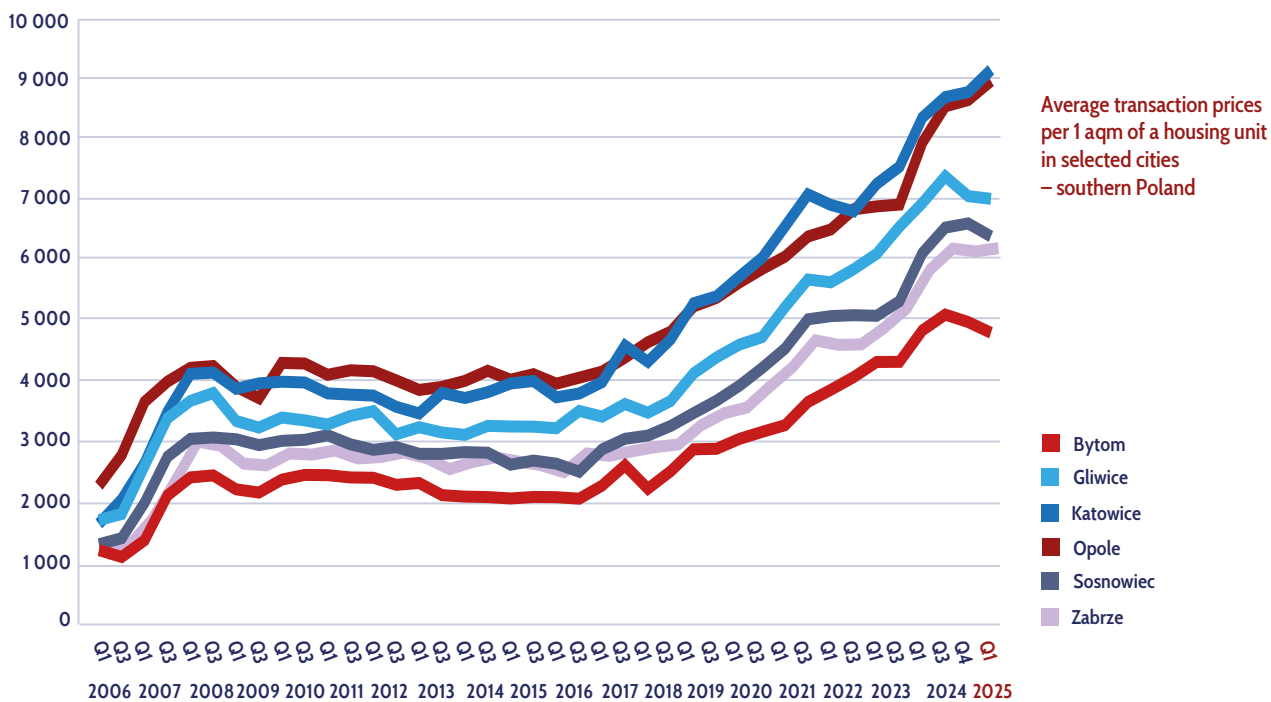


SOURCE: AMRON

Region – southern Poland

city	Price in Q1 2025	Change Q1 2025/ Q4 2024	Change Q1 2025/ Q1 2024
Bytom	4 712	-3.56%	-0.81%
Gliwice	7 002	-0.64%	0.98%
Katowice	9 089	4.13%	9.29%
Opole	8 825	3.62%	15.65%
Sosnowiec	6 354	-3.20%	4.44%
Zabrze	6 107	0.85%	6.09%

SOURCE: AMRON

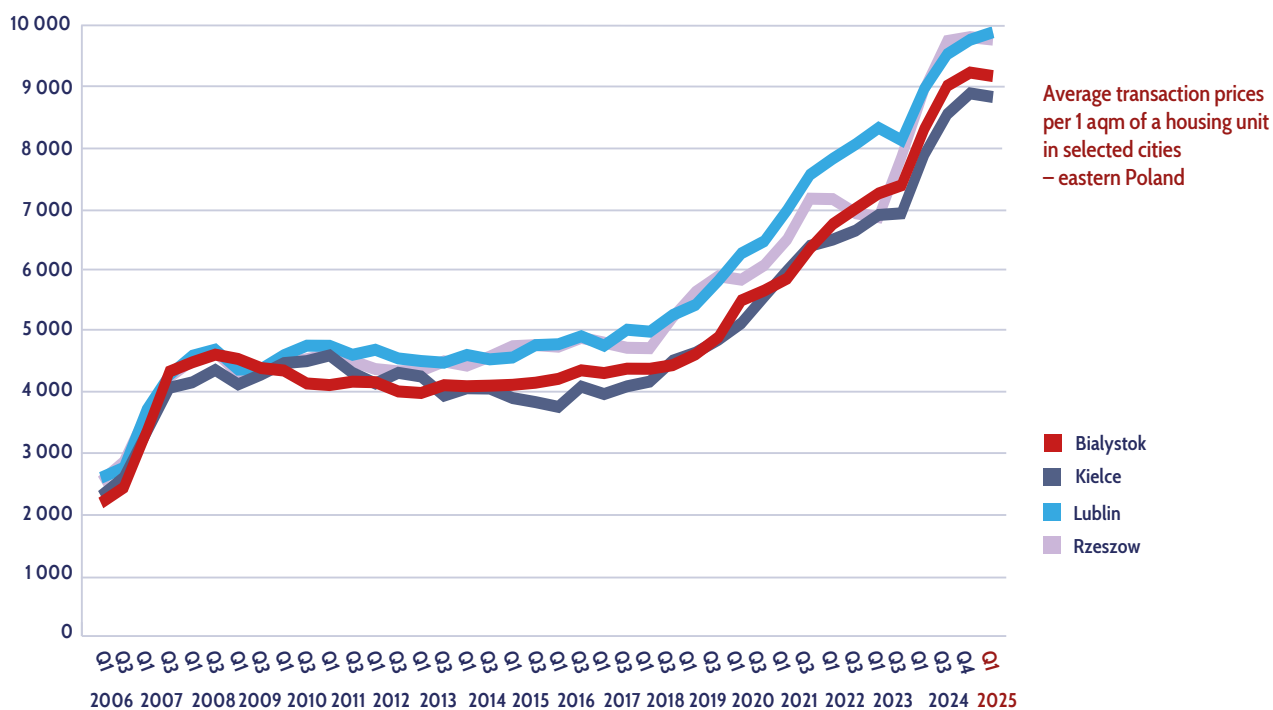


SOURCE: AMRON

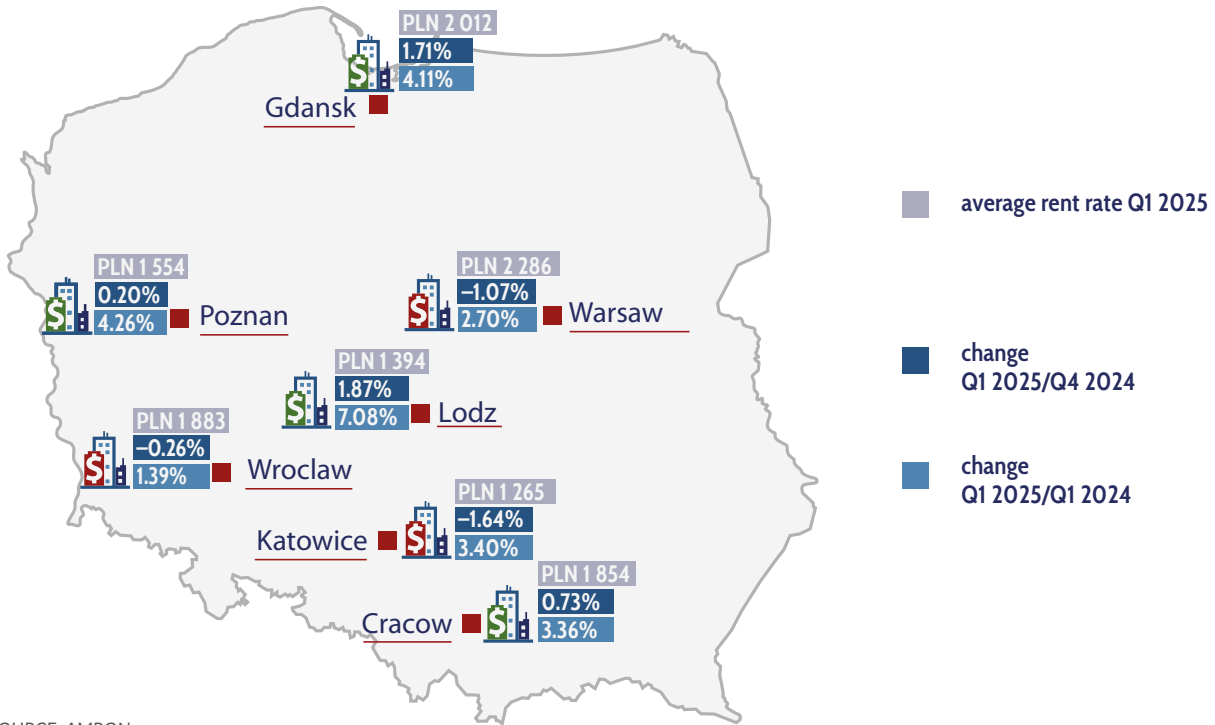
Region – Eastern Poland

city	Price in Q1 2025	Change Q1 2025/ Q4 2024	Change Q1 2025/ Q1 2024
Białystok	9 130	-0.62%	10.29%
Kielce	8 835	-0.67%	11.78%
Lublin	9 801	2.43%	12.89%
Rzeszów	9 722	-0.40%	8.97%

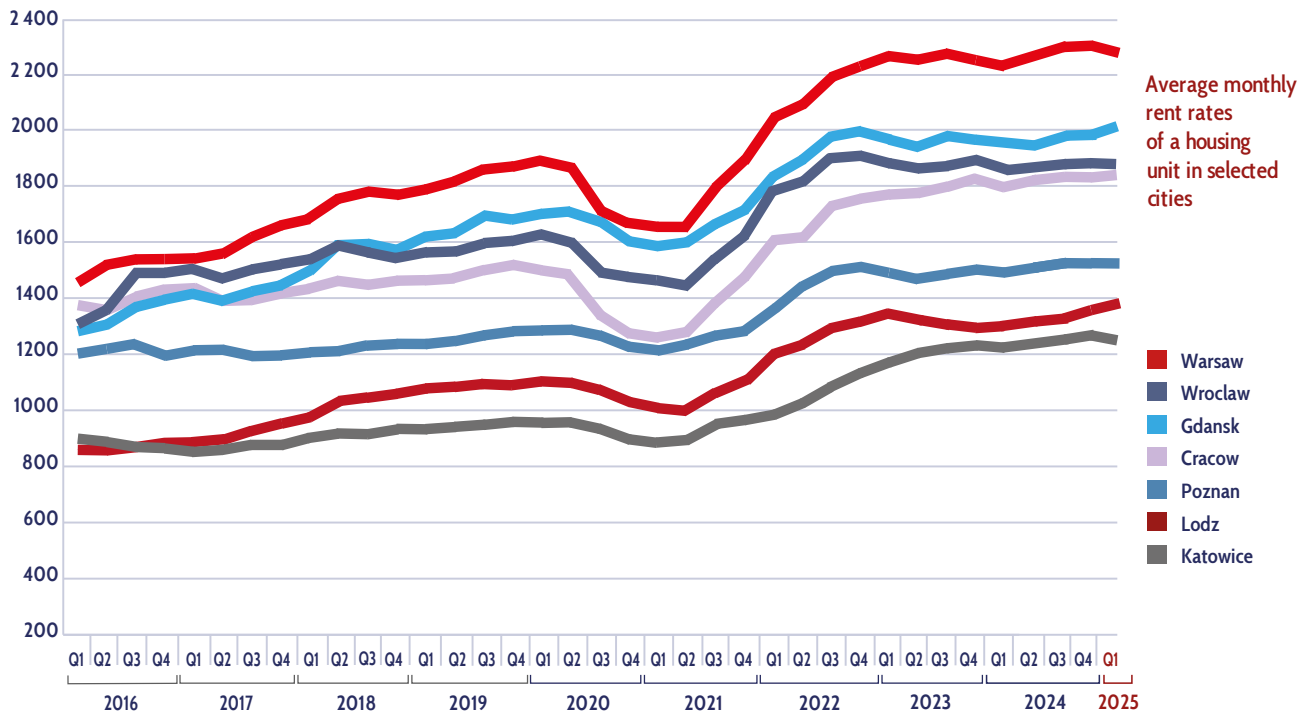
SOURCE: AMRON



SOURCE: AMRON



SOURCE: AMRON



SOURCE: AMRON

	WARSAW	KATOWICE	WROCLAW	GDANSK	CRACOW	POZNAN	LODZ
Q1 2018	1 682	902	1 537	1 495	1 433	1 196	972
Q2 2018	1 755	917	1 589	1 592	1 462	1 211	1 033
Q3 2018	1 780	915	1 563	1 594	1 447	1 232	1 046
Q4 2018	1 767	934	1 542	1 571	1 462	1 237	1 059
Q1 2019	1 787	933	1 565	1 620	1 464	1 236	1 078
Q2 2019	1 816	941	1 564	1 632	1 470	1 246	1 083
Q3 2019	1 859	948	1 596	1 695	1 499	1 267	1 094
Q4 2019	1 868	959	1 604	1 680	1 519	1 282	1 088
Q1 2020	1 891	955	1 627	1 700	1 499	1 285	1 103
Q2 2020	1 872	957	1 603	1 709	1 484	1 288	1 099
Q3 2020	1 714	937	1 492	1 676	1 342	1 268	1 073
Q4 2020	1 666	897	1 476	1 603	1 275	1 227	1 033
Q1 2021	1 654	884	1 463	1 585	1 260	1 212	1 008
Q2 2021	1 652	892	1 442	1 597	1 278	1 234	998
Q3 2021	1 793	951	1 541	1 664	1 383	1 266	1 061
Q4 2021	1 886	967	1 621	1 712	1 472	1 282	1 107
Q1 2022	2 042	982	1 786	1 833	1 606	1 365	1 211
Q2 2022	2 087	1 024	1 812	1 892	1 611	1 441	1 234
Q3 2022	2 187	1 083	1 902	1 976	1 727	1 496	1 292
Q4 2022	2 226	1 141	1 908	1 997	1 754	1 512	1 316
Q1. 2023	2 273	1 173	1 881	1 965	1 769	1 490	1 346
Q2 2023	2 247	1 204	1 862	1 936	1 774	1 467	1 321
Q3 2023	2 271	1 221	1 871	1 978	1 796	1 486	1 307
Q4. 2023	2 248	1 232	1 894	1 964	1 827	1 502	1 296
Q1 2024	2 226	1 223	1 857	1 933	1 794	1 491	1 302
Q2 2024	2 243	1 236	1 824	1 942	1 821	1 504	1 312
Q3 2024	2 301	1 254	1 878	1 957	1 846	1 557	1 332
Q4 2024	2 311	1 286	1 888	1 979	1 841	1 551	1 369
Q1 2025	2 286	1 265	1 883	2 012	1 854	1 554	1 394

Average monthly
rent rates
of a housing unit
in selected cities

SOURCE: AMRON



POLAND HAS ACHIEVED GREAT HOUSING SUCCESS OVER THE PAST 25 YEARS, SURPASSING THE STOCK INDICATOR OF 420 APARTMENTS PER 1,000 HOUSEHOLDS, ONCE CONSIDERED THE THRESHOLD OF HOUSING PROSPERITY. APARTMENT PRICES IN CONSTANT PRICES, I.E., COMPARABLE TO OTHER GOODS PURCHASED, IN THE 16 LARGEST CITIES IN POLAND REACHED THE 2007 LEVEL IN 2023, SO THEY HAVE NOT CHANGED.

prof. Jacek Łaszek

Warsaw School of Economics

Two Sips of Politics from the Real Estate Market

What is actually happening in the housing sector is fairly predictable. It is highly likely that we are ending a financial cycle, and with it, an extended boom cycle in the housing market. Given the weak impact of demographic and possibly fiscal variables, interest rates will be the main variable affecting short-term housing demand. And these will be lowered as inflation falls, stimulating incomes, housing demand, and housing production, as in the previous cycle. Unless, of course, some disaster occurs, or we harm ourselves with so-called good ideas... The latter scenario is not so unlikely, especially when listening to politicians' ideas on how to make us happy, even with the election season in mind. Of course, this does not only concern housing—a good example is the rapid shortening of working hours. Well, as politicians themselves used to say: the authorities will always feed themselves.

It is a textbook truth that housing is a political good, just as it is a fact that apartments in large cities are a good long-term store of household savings, and additionally, you can live in them and, in case of problems, sell or rent them. Polish households know this and practice it, especially older ones, particularly in the largest Polish cities after pension reforms and constant government complaints about how problematic they are, and after many failed experiments with the financial sector. This is also a common phenomenon in highly developed countries, as it increases the supply of rental apartments and lowers rents.

And the profitability of normal apartment rentals in Poland is low (3–4% per year) and risky due to bad law and such political temptations. In this situation, I really do not know how to treat government members' statements that these housing savings are speculation and, once again, after the confiscation of private pension savings and inflationary losses, they will be radically taxed through a cadastral tax.

At the same time, politicians plan or at least promise to launch large rental housing programs, without explaining where the money will come from, since it has never been available before. So it is no longer surprising to hear arguments for introducing a cadastral tax as a supposedly demand-boosting factor (Nobel in economics), and that it should apply to those with three or more apartments, when it is commonly known that such a tax only makes sense, due to costs, if it is universal. So maybe it is about a universal cadastral tax after all? At the same time, the narrative about a housing crisis is returning (so why radically tax housing?), record housing prices in Poland compared to Europe, “pathodevelopment” as a synonym for developers focused on profit rather than needs, landlords, terrible mortgage loans enslaving people, and the need to launch mass programs of cheap rental apartments for everyone, especially for young people (this is a repeat, and several times over), and many other similar “good” ideas and assessments.

In such a situation, a real estate economist can only sigh, recalling a classic. As the classic said,

“Lord, protect us from friends, because we can handle enemies ourselves...”. So maybe it is worth recalling the basic facts about the housing sector and the principles of the capitalist economy in this sector, because fortunately that is what we have, as no other, equally effective system, has been invented so far.

The fundamental factor in the production of goods and services, and thus what shapes our prosperity, including housing prosperity, is still human labor. Apartments, which from an economic point of view are fixed capital, are a fundamental factor in social prosperity. Therefore, in countries with a lower housing stock, it is necessary to support housing construction, especially since, as I wrote, they are expensive, low-yielding (the rate of return on rental does not exceed 4% per year), and risky (politics). The main problem is their high price, linked to incomes. Apartments are expensive because technological progress in construction is slow and they consume a lot of resources. As incomes rise, land prices increase, construction costs rise, and human needs also increase. That is why the housing problem is difficult to solve and occurs in both poor and rich countries.

Poland has achieved great housing success over the past 25 years, surpassing the stock indicator of 420 apartments per 1,000 households, once considered the threshold of housing prosperity. Multi-family housing construction (developers and mortgage loans) contributed significantly to this, less so the decline in population. So there can be no talk of a housing crisis, especially with the population declining ever faster, although the situation in the old EU countries is better than in Poland. Poland especially lacks apartments in the largest centers, which will continue to develop at the expense of smaller ones (agglomeration), so housing construction should still be supported, not hindered.

As a result of demographic changes, large, interventionist housing programs do not make sense, which are launched in post-war periods or after the loss of colonies and the mass return of colonists to the metropolis. The classic model in developed countries is based on ownership and private rental apartments, but also municipal, social, or housing benefit schemes.

Historical experience and current research show that the vast majority of households prefer their

own apartments, financed by mortgage loans. They are the foundation of the sector in most developed countries, alongside support programs for households that temporarily or permanently lack creditworthiness. When launching mortgage programs at the beginning of the 20th century, their social and motivating impact on employees (they have to repay the loan) was strongly emphasized, which was confirmed by the economic history of the USA and Western Europe. Talking about attachment to an apartment and forcing people to work is therefore a misunderstanding.

Housing policy has over a hundred years of experience, but launching a reasonable program must be preceded by a good diagnosis, not political slogans, as has been the case so far. The main problem with municipal rental housing is the need for subsidies during both construction and later operation. Rents are low, tenants do not pay them, apartments are devastated. That is why such housing programs failed and their stock was privatized to get rid of the problem.

The problem of housing for young people is a classic housing issue (the so-called steep approach). When solving it, we usually talk about gradual steps, in which, with professional advancement, they improve their housing situation. The key is the first step, and here help is necessary, but the standard offered depends on local possibilities.

Apartment prices usually behave cyclically (the housing cycle), which is the result of many factors, most often the availability and cost of credit. Such cycles (two) also occurred in Poland, but they mainly concerned nominal prices and were related to inflation. Apartment prices in constant prices, i.e., comparable to other goods purchased, in the 16 largest cities in Poland reached the 2007 level in 2023, so they have not changed. The same prices compared to household incomes show a constant decline since 2007, with only small, short-term increases. So it is not true that apartments are getting more expensive—they are getting cheaper.

Contrary to the common complaints of the financial sector and politicians, Poles have quite large savings. These are very low-indebted apartments that are their property. A simple calculation shows that their value is at least about PLN 400,000 per average household. Of course, this creates a temptation to take care of this wealth, but also a great political risk for whoever starts it. So it is

worth recalling the common-sense advantages and disadvantages of the cadastral tax, which the Polish left is fighting for. But that is probably for the next parliamentary elections. First, the advantages:

- It is inevitable and easy to enforce. You cannot hide real estate, and if you do not have money, you can easily sell it. This is the main advantage from the authorities' point of view and the main motivation for introducing it, which the authorities widely use.
- By taxing consumers (so-called ordinary people), the authorities can limit the taxation of big business, especially large international corporations, which usually avoid paying CIT. That is why it enjoys their support, as well as that of many international institutions that support them.
- It is a local tax, so it most often brings money to local governments.

Now some disadvantages:

- It strongly limits housing demand. As a result, housing construction and apartment renovations decrease (after renovation, the tax is higher). Subsidies have to be introduced, usually high and through loans, which benefit the richest. As a result, the banking sector swells, becomes less stable and more

speculative. On the one hand, we collect taxes, and on the other, we subsidize on a large scale, which disrupts the housing market. The best example: the USA.

- It is an example of double taxation (we already paid tax when buying the apartment). The Polish housing sector is highly taxed internationally, and other sector taxes would have to be reduced.
- Like any property tax, it increases the risk of expropriation, because we have to pay it regardless of whether we have income or not. As a result, during crises and rising inflation, as well as rising unemployment, there are many abuses and asset takeovers. A good example is pre-war Poland. That is why income taxes are considered better.
- It is socially and technically difficult to introduce (universal property valuation), so it must be universal and introduced slowly. It leads to a revolution in incomes. In Poland, people saved in apartments for old age; now this will be taxed.

Prof. Jacek Łaszek

Expert's comments published in AMRON-SARFiN Report reflect authors' opinions, which not always are consistent with opinions presented by Polish Banks Association and AMRON Centre.



System for Analysis and Monitoring of Real Estate Transactions

AMRON System is a standardised, nationwide database on real estate prices and values, equipped with advanced reporting and analytical modules for monitoring changes on the property market. System was established in 2004 in response to the banking supervisory requirements related to credit risk management and monitoring security instruments for mortgage lending. Since 2010, System is available for all real estate market participants. This year we celebrate the 20th anniversary of the AMRON System. The last two years were a period of work on a new version of the system and from April 2, 2024, we made a new version available to banks and other users - the AMRON III System, which meets the requirements of Recommendation J of the Polish Financial Supervision Authority, amended in March 2023.

During this period, we have collected more than 4.4 million data on prices and real estate values, and we gained both huge experience and the trust of our business partners. Our offer also includes periodic analytical publications and standard reports as well as individual reports prepared accordingly to the detailed specifics of the market segment, location and time period. Since the beginning of 2014 we also offer services of property valuation.



System for Analysis of Real Estate Financing Market

SARFiN System is a system for exchanging information on sales of housing loans and information relating to the monitoring of the risk portfolio of housing loans. The System is run by the Polish Banks Association since July 2001 and it is available for banks only. Access to the data stored in the SARFiN System has also the National Bank of Poland.

The data processed in the SARFiN System are also used in specialist analytical publications prepared by AMRON Centre, developed at the individual request of banks, investors, developers and other entities interested with reliable information about a particular market segment in the selected location and time period.



Agnieszka Pilcicka

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AMRON Centre*

About AMRON-SARFiN Report

This Report was developed by AMRON Centre in cooperation with the Committee for Housing Finance at Polish Banks Association and prof. Jacek Łaszek. Figures and comments have been developed by AMRON and SARFiN teams under the direction of Agnieszka Pilcicka (agnieszka.pilcicka@amron.pl). In addition to the data collected in the AMRON and SARFiN Systems. This Report also includes data from Central Statistical Office and National Bank of Poland.

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