

Těšín/Třinec regions: Poland is not a rival, it's a partner



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“The Polish market has its specifics. Compared to the Slovak market, which is very similar to ours as regards the real estate law, the situation in Poland is somewhat worse for business. For example they have all kinds of transition periods that complicate the ownership of real estates by foreigners. If you think you just buy a house right across the border and start doing business in it, you’re up against a big surprise. In border areas, foreigners even need the ministry’s approval to buy property,” says Jan Starzyk, of the law office Kadlubiec Starzyk and Partners. He adds that the Polish legislation also stipulates various tax obligations unknown to our laws, in particular for real estate trading and acquisitions. These are significant obstacles, but it is worth it to spend a little money and effort on them. Right now the Polish market is offering numerous opportunities relating to the EURO2012 Football Championship project. However, there are other chances and opportunities as well, even though they might not seem as attractive at first sight - such as the joint projects in the Těšín region.

Regional realties

After many years, Český Těšín and Cieszyn are once again in the process of unification into a compact and jointly operating organism. The city halls of both parts participate in many development projects, aimed at removing the border built in these two cities, divided only by the Olza River, by the Communist regimes for many years. “For example we cooperate on the revitalization of the Adam Sikora Park and the Olza River bank. We want to build new bridges, sports facilities, relaxation zones in locations along the former borderline. Many projects follow up on the rich history of both cities,” says the Český Těšín city hall. The administrative bodies of the Czech part also prepare new locations for residential development. Having kicked off the industrial zone project, they now want to combine their forces with the developers and build several new residential districts. No doubt this would help enliven the local real estate market, which has seen a rapid growth as well as a steep decline recently.

Prices falling...

The arrival of the carmaker Hyundai to the nearby Nošovice fuelled alarm and unheard-of price movements on the regional real estate market. During several weeks the prices of flats in Český Těšín’s housing estate Svibice grew four times. “All of a sudden, three-room flats were sold at CZK 1,250,000 here, while half a year before you couldn’t sell them at CZK 250,000,” recalls Michal Pitucha, director of the real estate

agency STING. “However, we already see signs of the crisis here as well. The seller market slowly changes into a buyer market. Real estate sellers cannot dictate their exaggerated conditions as it was in the past. In both regions, i.e. Těšín and Třinec, the purchases of real estates as an investment also slowed down. The prices of flats in prefabricated houses declined by up to 25% in the region. We have also seen a decline of family house construction, by about 10%. However, the prices of land have virtually seen a zero movement,” explains Pitucha. Today, investors find only some types of real estates and locations attractive in the region; in the near future, however, we can expect another economic revival here - the Nošovice car factory already attracts further investments, and today’s cheap purchases may turn out to be highly advantageous.

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