

The crisis a renaissance of "B" office

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The businessman, if solvent and partial to representatives of his firm residence, has really a lot to choose from in the capital city of Slovakia. Along with developers as TriGranit or HB Reavis other medium-sized and smaller competitors provided this abundance (if not a surplus) of office spaces, which were baited to such oriented investment by fast return guaranteed by economic growth.

Factors of pragmatic reasoning

Because of the biggest number of commercial and office buildings concentrated in its territory, Bratislava represents virtually the only developed market with commercial real estates in Slovakia. From thorny moments, which currently affected many empty „A“ buildings, like profiting quality “B” buildings constituting about 40 percentages of the total volume of 1.2 million m² of office areas. Their seemingly less „prestige“ is rebalanced by higher profitability of costs incurred.

Dialectic of the crisis also consists in the fact that by recession of one it opens the door to opportunity of another. Deceleration of construction “delirium” in the office segment due to increasing supply and decreasing demand increases the appetite for category B reasonably, which will attract those who look more for efficiency than exclusivity. Analyzes of CB Richard Ellis (CBRE) Company in 2008 showed that the non-occupancy rate of 490 thousand m² of “B” premises in the Bratislava market was only a little over 6 percentages.

This is the chance of modern way rebuilt administrative units of B category in the wider centre, where the combination of reasonable pricing, convenient transport accessibility and convenient parking becomes the key factor in pragmatic reasoning. Firms do not fully use the higher standard of „A“ category buildings many times, but pay for that. Modern „B“ buildings could bring a comparable standard, whereas the cost may be lower by up to 30 percentages. This is like killing two birds with one stone, "says Oliver Galat, the head of the Office Spaces Department, CBRE.

Price, availability and parking are bonuses as well

Developers still do not hurry to the purchase and subsequent renovation and modernization of older buildings, coming from the socialist period, however. The analysis of causes should certainly cover the content of a separate article, generally it can be concluded that they do not regard this type of investing very elegant till now. But there are also moments when the past disadvantage becomes an advantage. The typical protagonist of such a trend may be, for example, the company Globe Trade Center (GTC), which carried out renovation of the Postal and Telecommunications building on Jarošová Street n° 1 in the New City district along with construction of the residential complex Vineyards.

„We believe we can attract the business sector by a new quality space. Jarošova Center already now ranks among one of the few projects of category B + comparable to the highest standards in the field of administrative development by its designed facilities. In addition, it maintains more than reasonable price. It ranges from 8.5 euro per square meter, "says Jozef Šimek, the sales and marketing manager for GTC Slovakia.

The fact that the category B + is no way pejoratively shaded, proofs the Jarošova Center equipment itself, where trade and services would take 900 m² from the future total rentable area of 11 000 m².

Structured cabling, air conditioning, representative entrance spaces or openable windows, which traditional tenants regard Alfa and Omega of well being belongs to obvious standard.

Favourable location in the wider centre as well as sufficient parking spaces in the adjacent car park and in the planned separate house as well are its other undoubted bonuses.

GTC - the holder of several awards

The company Globe Trade Center SA (GTC) is one of the biggest real estate players in the Central and Eastern Europe in the present. It is active in 9 countries of the region - Poland, Slovakia, Hungary, Czech Republic, Romania, Serbia, Croatia, Bulgaria and Ukraine. The portfolio of projects is represented by all the basic real estate sectors - office buildings, shopping-entertainment centres and residential housing, what is not quite normal for developers. GTs realized and owns the commercial real estate with an area of 200 000 m2 till now. The portfolio of lands for the implementation of new commercial and residential projects allows it the potential construction with a total area of 1.3 million m2.

From several awards, which GTC Company gained in the market over the years, it is worth noting in particular the title CEE Developer of the Year - Developer of the Central and Eastern Europe (for the years 2004 and 2007) to the prestigious contest Central & Eastern European Real Estate Quality Award. At the same time it was graced with the award CEE Outstanding Company of the Year - Significant Company of the year in the Central and Eastern Europe (for 2004). This year the chairman of the Supervisory Board of GTC - Eli Alroy obtained the title the Best estate industry expert in the Central and Eastern Europe.

Photo - GTC Slovakia / key2b 1

1 - Centrum Jarošova: future state

2 - Centrum Jarošova: current state

05.05.2009 10:34, SF / Juraj Pokorný