

PRF: 75,000 m2 of new offices to be built in Prague in 2010

Author: SF / pb | Published: 20.10.2009

About 20,000 m2 are yet to be brought to Prague's office market in the last quarter of 2009 - this accounts for one big project (Prague Marine, with an area of 13,500 m2) and several smaller ones. In 2010, the Prague Research Forum estimates administrative construction in Prague at 75,000 m2 of new office areas.

The actual demand reached 46,460 m2 in the third quarter, which constitutes a 15% decline compared to the previous quarter and a 33% year-on-year decline. The actual demand in the third quarter of 2009 included a distinctly higher number of re-negotiations, which accounted for 45% of all concluded rental transactions. The vacancy rate of Prague's offices slightly increased to 10.6% in the third quarter, up from 10.13% at the end of the second quarter. The highest achieved rent in the third quarter of 2009 slightly decreased. In the city centre it is currently at EUR 20-21 per m2 a month, and in the inner city it still ranges between EUR 15 and 17.50 per m2 a month; in the outer city the rents are at about EUR 12-14 per m2 a month. With some firms reducing their operations, there are more and more sub-leases on the market. The share of sub-leases in all occupied premises was 1.65% in the third quarter, comprising about 39,000 m2.

20.10.2009 09:59, SF / pb