

Logistics still in huge decay

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“Only 23,500 square metres of warehouse premises were completed in the third quarter, which has been the smallest volume in the last three years. Between 2006 and 2008, 187,000 sq m were coming to the market each quarter on average, but there were even quarters when we recorded an unbelievable 390,000 square metres,” Filip Kozák, of CB Richard Ellis, describes the current situation on the market in logistical capacities.

The implementation sector has not had any better results: in the third quarter, transactions in the total volume of 120,000 sq m were concluded, of which 40% accounted for extensions of already concluded contracts. The most important transactions included the negotiation of 14,500 sq m in Prologis Park Ostrava for GEIS Logistics and 14,100 sq m in CTPark Brno South for CCI Valve.

In its quarterly overview, King Sturge specifies the same volume of new construction (the difference is 100 sq m), and according to the analysis, the vacancy rate dropped in the third quarter from 18.7% in June to 18.1%. The highest vacancy rate is seen in Northern Moravia - 32%, and the lowest in the regions of Northern Bohemia and Southern Moravia (6 - 7%). Prague is in the average for the whole Czech Republic, at 17.9%. “Taking into account the low new supply and the stable demand at the level of 40,000 - 50,000 sq m, we expect a decline in the national vacancy rate at about 17.5% by the end of the year,” says Ondřej Novotný, of King Sturge.

According to King Sturge, the rent is currently at EUR 3.90 - 4.75 (per square metre and month) in Prague, EUR 3.25 - 4.00 in Plzeň, EUR 4.25 - 4.75 in Brno and its surroundings, EUR 3.50 - 4.10 in the Ostrava region and EUR 4.00 - 4.50 in new locations (Mladá Boleslav, Liberec, Hradec Králové, Ústí nad Labem and Olomouc). The prices of small units are 15% higher on average.

In total, CB Richard Ellis claims there are over 3.3 million square metres of modern storage areas in the Czech Republic, of which 50% are located in Prague and its surroundings.

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