

Second residential auction to offer 30 items

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After the December auction of residential property, the property agency Professionals and property agency Gavlas are planning another one. It will be held on Thursday 27th May 2010. 30 properties from 13 projects will be on offer. Several property developers will offer their properties, these include Finep, Ablon, Moravská stavební and AAA realitní fond (AAA property fund). They include projects located around the whole of Prague, e.g. Malý Háj in Štěrboholy, Britská čtvrť in Stodůlky, VIVA Rezidence in Prague 9 or Rezidence Cholupice in Prague 4. "The auction includes smaller flats in lower price categories. Most of them have layouts of 1-bedroom or 2-bedroom flats, they are sized between 50 to 80 square metres. We tried to reflect the current market situation where people are more interested in smaller and cheaper flats," says Tomáš Duda from Professionals. The planned auction of new flats and family houses will be in the "reserve price" mode, ie. as an auction with a limited price. The winner of each auction will find out immediately after it ends if the reserve price had been or had not been reached. "Starting bids will be at 60 % of catalogue prices. The probability increases that a reservation contract between the seller and the winner of the auction will be signed. In any case, the auction will again show the real market prices which the market is willing to accept," says Ivo Galvas.

The first December auction finished with a tentative result. Although all except one items were sold, many sellers later refused to sell their flats and houses as the prices were too low. The starting bids were only 30 % of the catalogue prices in this auction. Some large developers do not want to use this sales method. According to estimates, there may be 4 000 unsold, completed flats in Prague.

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