

# PRF: demand for office space stagnating

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The total area of modern offices in Prague exceeded 2.69 mill. sqm at the end of the third quarter, according to Prague Research Forum. A-class buildings account for 68 % of the total area and the rest is comprised of B-class offices. In the third quarter the office building Pařížská 26 in Prague 1 was completed (1,200 sqm). This is the second addition to the Prague market this year. Completion of further 29,000 sqm of new offices is still scheduled before the end of this year.

The gross take-up including renegotiations and leases reached a volume of 46,300 sqm in the previous quarter, this is a volume comparable to the previous two quarters and in the second quarter of 2009. The total share of renegotiations of lease and sub-lease contracts on the gross take-up has remained unchanged in comparison with the last quarter and it remained at 38 %. The share of recorded sub-leases on the total area of all office space decreased by 0.8 % as of the end of the third quarter.

The vacancy rate in Prague offices in the third quarter of 2010 fell to 13,2 %. The highest reached rent in the third quarter of 2010 in the city centre remained at EUR 20-21 per sqm per month.

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