

# Commercial real estate market is awaiting recovery this year

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Commercial real estate market in Slovakia has seen recovery in 2nd half of 2010, which should be fully reflected during this year. Representatives of real estate consulting firm CB Richard Ellis (CBRE) stated this. According to the head of industrial department, Petr Jánoši, the total volume of warehouses in Slovakia amounted to 1 million sqm in Q4 2010, while vacancy rate was relatively low (6.7 %). Overall warehouse construction activity was weak last year, when only 1 project with 9,000 sqm in Martin was completed. In the Bratislava office space market there is currently low supply of new space which will continue in 2012. According to head of office department at CBRE, Oliver Galata, demand by tenants for new unused space in prime locations, which is currently lacking, has increased. “Until now tenants had the main word, the market is slowly starting to swing towards developers, who tend to retain projects until they can reach higher prices,” Galata said.

Commercial real estate sector, which includes centres with an area ranging from 5,000 sqm, reached 934,000 sqm at the end of last year; 372,000 sqm in Bratislava. Martin Bíro, retail consultant at CBRE, said that there were 121,000 new sqm last year and this year projects with volume of 179,000 sqm are planned. 110,000 sqm are already under construction, of which the largest part is Aupark in Košice.

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