

Nová Karolina Park has a new investor



Author: SF / pb | Published: 07.07.2011

GEMO, which is already building commercial and leisure centre in the area, and it is also the developer of the Residence Nová Karolina project, will get 40% share in the project. Another 50% is held by Passerinvest and the remaining 10% by Multi Development, which is in charge of the entire Nová Karolina project. “We have approximately 500 million of our capital now. We assume that for such a secured project we will be able to find a bank, which will cover the remaining 400 million crowns needed,” said Radim Passer and added that the construction with all final adjustments should cost over a billion crowns.

Bet on the quality of the site

Nová Karolina Park office project, located in the north-eastern part of the newly urbanized area and part of one of the largest urban development projects in the Czech Republic, is the last of the three buildings in the first stage of implementation, whose construction has been resumed. The situation has changed now. “The crisis has frozen the office market in Ostrava and other places. Having new partner and additional own capital makes it possible to complete the project without being forced to wait for some new ‘Tieto’ (*editorial note: reference to the Finnish company Tieto, which wants to place its new headquarters in Ostrava - tender eventually won by CPI*), which may easily not happen for a few more years. Thus we will be able to offer first-class office space in the best place in Ostrava to customers, who may need just a few hundred square metres. I am convinced that the chosen solution will benefit all parties and Ostrava public,” says Radim Passer, head of Passerinvest Group. The renewal of the project and construction work is already the second exceptionally good case for Passerinvest Group this year. The first was undoubtedly the successful occupation of the last new building at BB Centrum - Filadelfie - on the basis of an agreement with UniCredit Bank.

Six-storey office building Nová Karolina Park is the work of CMC architects, by authors Vít Máslo and David R. Chisholm. It consists of a single mono-block with a through internal courtyard with two gates. In addition to 24,600 sqm of office space with a flexible option of floor division, there will be interconnected underground floors used as car park for almost 280 cars. The ground floor will offer 3,700 sqm of retail space. Negotiations are currently taking place with parties interested in these retail units and negotiations on leasing office space are also back on track. According to R. Passer, there are about 100,000 sqm of quality office space in Ostrava now and 10% of them vacant - but the developer is betting on quality of the location, which should become a new centre of Ostrava.

The first stage coming to the end

In addition to Passerinvest Group and Multi Development, GEMO Olomouc is another partner of the Nová Karolina project and has also become general contractor. "Given the long interruption of the construction of this project, examining of construction work previously carried out is currently taking place - especially pile foundations. Initiation of this work took place last week and its completion, together with making of foundation surface, will be done during the holiday months. Commercial and technical preparation of the building is taking place simultaneously. The actual construction will begin at the beginning of September with construction of a monolithic skeleton and the upper basement of the building. This will be completed in mid-April 2012," said Jaromír Uhýrek, CEO of GEMO. The company is also general contractor for commercial and leisure centre and co-developer of the new residential project Rezidence Nová Karolína.

"I am glad that the Nová Karolina Park project starts again after the crisis-forced interruption and that it was possible to activate this very important (with regard to its attractive location) part of the first phase of Nová Karolina," said Luboš Kočí, Managing Director of Multi Development CR (which is part of MSREF - Morgan Stanley Real Estate Funds), and he continues: "Some modern office spaces will now be added to commercial and leisure centre as well as housing areas, new streets and squares, extensive infrastructure and locations for leisure time. A whole new part of downtown is growing in Ostrava, indeed."

A new face of Ostrava

The Nová Karolina project is rising on the 30 hectares vacant space near the centre of Ostrava and the industrial area of Vítkovice. Several companies, such as the consortium ECE / Passerinvest Group, ING Group, or Sekyra Group, competed for the possibility to implement a project in this attractive area. A tender was published by the city of Ostrava and took place in 2006. The winner was the company Multi Development. "We expect a thousand flats, 70,000 sqm of offices and 90,000 sqm of retail space," Luboš Kočí described the main parameters of the project immediately after the competition and added that the investment should be CZK 12 to 15 billion and the project should be completed by 2018. Multi Development later agreed on co-operation with Passerinvest Group, specialist in construction of office buildings. The project schedule was, however, significantly affected by the economic recession at the end of the last decade, the work on Karolina completely stopped for some time, and it was re-launched not until last year.

Authors of new urban concepts at Karolina are three architectural studios: Dutch T & T Design, German RKW and Czech Helika. Roughly speaking, the eastern part of the new district will be commercially oriented with predominant administration and commercial buildings, while the west will have a more residential character - blocks of flats complemented by greenery and sports facilities on the bank of the Ostravice river. Nová Karolina have two landmarks: admin building - Nová Karolina Park - at the entrance from the old town, and at the end of the high street, so called Trojhalí, industrial building from the 19th century, which should enhance Ostrava's cultural facilities.

07.07.2011 09:29, SF / pb