

# Vacancy rate of industrial real estate decreased in 2nd quarter

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14,000 sqm of modern industrial real estate were leased in Slovakia in 2nd quarter of 2011. According to the information by real estate consultancy Cushman & Wakefield, vacancy rate in the monitored period was at 2.5 %, it fell by 1.2 percentage points compared to the first quarter. Activity of property developers in building new industrial real estate also grew quarterly, according to C&W.

New construction is concentrated mainly in the Košice region, but Cushman & Wakefield recorded greater activity also in the Žilina, Trnava and Bratislava regions. However, most industrial properties are custom-made for particular tenants, making the vacancy rate decline or stagnate. According to C&W, custom-made construction will continue in the coming quarters. The reason is the decline in vacancy rate and steady demand for space.

“A noticeable increase of new custom-made rental facilities is expected in the third quarter and more significant space for specific tenants will be added at the end of the year,” said Martin Baláž from industrial real estate department at Cushman & Wakefield. According to him, we can expect a gradual start-up of speculative construction, which will concentrate mainly in the Bratislava region.

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