

Logistics: Growth of investment in CEE by 125%

Author: SF / pb | Published: 22.11.2011

The total volume of investment in the European logistics market grew again in the third quarter to EUR 2.3 billion, which is 13% higher than in the previous quarter. In this year's first nine months, investment in European logistics properties reached the value of EUR 6.8 billion which is yoy 15% more than last year. The CEE region (including Russia) recorded a yoy growth in industrial investment volume by 125% in the first nine months of 2011.

“Prime industrial properties in the Czech Republic and Slovakia attract investors constantly and very intensively. If we consider the problems some Eurozone countries face now, both mentioned markets show relatively high activity. Investors are willing and able to pay over 100 million euro for a suitable product. Prague JLLS office has sold industrial properties for more than EUR 500 million this year (as of today - ie. 16th November 2011). We expect this trend to continue, due diligence is being done in several projects and new projects are marketed,” says George Lewis from Jones Lang LaSalle.

“We see an increasing volume of funds going into new investment opportunities in this sector offering interesting return on investment,” says Chris Staveley from Jones Lang LaSalle and he adds: “The current volume of concluded real estate deals unfortunately does not fully reflect the current interest of investors. Better results are prevented by lack of first-class properties for sale, as well as an increasing pressure on global financial markets.” In 2011 real estate transactions in logistics sector will reach the volume of EUR 9 - 9.5 billion, according to JLLS' estimate, more or less the level 2010.

22.11.2011 08:59, SF / pb