

Real estate investments increased by 60 %

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Investments in commercial property in the Czech Republic in the first quarter increased year-on-year by 60 % and reached EUR 100 mill., ie. approx. CZK 2,5 bill. “The property investment market is starting to recover slightly. We expect transactions totalling EUR 600 mill. to be concluded this year, including one or two large transactions such as Gemini or City Tower,” said Dušan Šťastník, an analyst at King Sturge. This year’s transactions include office buildings such as the headquarters of Nestlé holding in Prague-Modřany bought by CPI Group from the property developer Sekyra Group for EUR 22 mill. The same investor bought a chain of retail shops from Betonstav for EUR 18 mill. Among older property, significant transactions in the first quarter include the purchase of Česká typografie (former building of the Rudé právo newspaper), the value of this transaction has not been disclosed. Among foreign investors, Austrian company Hypo Real Invest bought an office building at Prague’s Vyšehrad for EUR 13,5 mill. from Skanska Property. In the first quarter of last year, properties totalling EUR 61 mill. were sold in the Czech Republic, it was EUR 230 mill. during the same period of 2008. Investors spent a total of EUR 543 mill. (approx. CZK 13,8 bill.) in the Czech property market in 2009.

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