

# Activity in the office sector weakest in two years

Author: SITA | Published: 07.06.2011

According to CB Richard Ellis (CBRE), the first quarter of 2011 was the weakest in terms of activity in the office space sector in Bratislava in two years; a decline of up to 45% was recorded compared with the same period of 2010. 11 thousand sqm of modern office space were added in the capital during the monitored period, including new as well as renovated buildings. Thanks to this, their total volume increased to 1.38 million sqm. We do not believe that this decline is a trend. We will know much more from Q2 statistics which should bring positive results," said Oliver Galata, head of office agency at CBRE. The company expects about 62 thousand sqm of new space to be added to Bratislava office market.

Overall activity in Bratislava rental market saw a slight slowdown at the beginning of the year when it reached only 11.7 thousand sqm in the first quarter. This was caused by a large number of transactions concluded at the end of 2010 as well as lack of quality vacant space. Of the total number of leases, 54% were new offices in Q1, while the occupancy rate of existing space included 43% and the rest were renegotiations. In 2011, CBRE expects few new completed projects, on the other hand, the trend of new project construction has come which will bring a relatively steady supply of new offices in the year 2012.

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07.06.2011 10:03, SITA