

Real estate investment in 2012: another good year?

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The total volume of real estate investments in the Czech Republic last year amounted to EUR 2.07 billion - it was the second most successful year in the modern history of Czech commercial property market. At Jones Lang LaSalle, they expect that this year will also be good in the Czech Republic from this perspective. "The main factor affecting the real estate market in 2012 will be the situation in the banking market and the ability of banks to finance new projects and refinance existing loans. The year 2011 in the Czech market was characterized by an influx of new investors - capital came from Canada or Korea. Thanks to the great interest of investors in the Czech Republic, we expect this trend to continue this year. At the end of last year, there was also investment by Qatar Holding in Warsaw, providing further evidence that Central Europe is interesting and attractive for capital from the Middle East. Assuming that the economic situation and the banking sector will remain relatively stable, we expect reasonable investment activity," says George Lewis JLLS.

Czech real estate - major investments in 2009 - 2011

Project	Buyer	Transaction value
2009		
City Tower	Private investor	€130 000 000
Gemini	DEKA	€110 000 000
Main Point Karlín (Forward Purchase)	Kooperativa	undisclosed
Jungmannova Plaza	DEKA	€40 000 000
Tesco Distribution Centre	DEKA	€36 000 000
2010		
Intercontinental Prague	Westmont Hospitality	€110 000 000
City West - Siemens	CPI Group	€72 000 000
City Empiria + City Forum	Generali PPF	€71 500 000
Centrum Igy	CPI Group	€48 000 000
Melantrich building	REICO	€40 000 000
2011		
VGP Portfolio 1	AEW Europe + Tristan Capital Partners	€300 000 000
Forum Nova Karolina, Forum Ústí nad Labem	Meyer Bergman + HOOPP	€300 000 000
Olympia Brno	Rockspring + ECE	undisclosed
Europolis Portfolio	CA Immo	undisclosed
PPF Portfolio	CPI Group	€217 000 000
Palác Flóra	Atrium Real Estate	€191 000 000
VGP Portfolio 2	Tristan Capital Partners	€135 000 000

Source: Jones Lang LaSalle, 30th January 2012