

Vara Group and Volksbank: the developer and the bank together against the crisis



Author: SF / Juraj Pokorný | Published: 31.03.2009

Our Internet magazine brought three articles about the Vara Group investment intentions in Bratislava already last year: 3nity - housing, relax and career in one (8.10.), Monarská alej I and II - new philosophy of housing at Čierna Voda (15.10.) and Vara Group intends to play first violin in Bratislava Ružinov finally (21.10.). What such important or epochal new happened within five months, that we return back to these enough presented projects again?

To send expressly positive signal



In spite of recession progressing examples of co-operation between a bank and a client show that it can also be successful under crisis conditions. And it has brought its first fruits - in the form of new access of an investor to preparation and managing projects (financing, results of sell) as well as to particular clients from bank and developer sides (conditions of real estate credits and sell).

„The situation, which rules on the market, involves all banks. None of them can separate itself from it. Of course - banks are not enthusiastic today, if they would access to lucrative projects, because there is really surplus of them in Bratislava, but consumable ones in term of price are missing here. We considered all aspects while signing the contract with Vara Group and found that the 3nity project is accessible to the segment, which has middle high incomes. Another advantage of this project is connection of housing, relax and work in one. So the complexity, which is not usual here,“ Jana Lukáčová, the chief of the marketing and communication department of Volksbank clarifies for Stavebné fórum.sk reasons of holding the common press proceeding of the developer and the bank.

Ján Pálenčár, the director of Home Centrum - the member of Vara Group and seller of its projects adds to it: „The incentive to summon the meeting was that so as we could give the information, in the time when people read only negative news on the state of similar project, that we are still building and selling. We wanted so as this sent positive signal sounded expressly. “And what it is needed to thank it that the 3nity project goes on regardless of the crisis? „In spite it is not visible for the first look, but it is in such high phase of building that we do not think about not going on. Although selling reduced speed a bit so we have to partially modify the timetable of its development, what will requires 4-6 months shift of terms

maximally. However, the basic question, whether yes or no, is not being open,“ Pálenčár confirms for Stavebné fórum.sk.

„In spite of all that what have been spoken about the crisis, I not fully understand the crisis behaviour of people. For example, number of cashless transactions of clients increased by up 200% in January and February 2009 compared with the same months of previous year. Is this the crisis behaviour? Or money for scraped cars: the state will give backings and people have money immediately, moreover they are not afraid to debt themselves eventually. Of course I understand that in case of real estate it is decision for 20-30 years,“ Lukáčová presents her opinion.

Advantage credits with interesting benefits



The Vara Group developer, which has been serving in Slovakia since year 2005, bases on tradition of financially stable Israel Company Denisra International, Ltd. It orients to three areas of development - residential, multifunctional and commercial ones. It collects the investor companies Nadlan (3nity), Nechasim (Monarská alej I), Ganim (Monarská alej II), Vara 7 (Centrum Bottova), Conner di (Flat house Sabinovská), Home Centrum (estate office), Vara (managing investments), Notal and Raz-el (project activities).

Volksbank Slovensko, which entered the Slovak market in year 1991, has 47 workplaces all over the country, which offers complex bank services, shares funds of Volksbank Invest, ING IM and insurance products of Victoria-Volksbanken Poist'ovňa. It started substantial successes in the area of project investment since year 2005 yet, however during that relatively short time it achieved substantial successes. Last year recorded semi year increase of credits volume by 55 percentages in this segment.

In previous years Volksbank Slovensko participated in several other projects like a financial partner. Three multifunctional buildings are concerned in Bratislava - with 46 flats at Staré Grunty in Karlova Ves (Stavizol Plus), with 30 flats in Moskovská Street (Katim) and with 129 flats in Geologická Street (Median House). Outside the metropolis it mainly engaged in projects of residential houses - for example at Piešťany (Arman Intech Development) and at Banská Bystrica (BK Belveder).

Volksbank Slovensko co-operation with Vara Group is not one-shot one. Currently this successful partnership is being developed at projects of the business-relaxation centre Monar in Monarská alej and 3nity. In the frame of the co-operation the bank offers credits for housing involving conditions, which make financing a flat easier. By this way the client can obtain a credit up to the amount of 85% from the value of future build-up structure (flat, garage, ratio in ground including an access road) with an advantageous credit interest rate, an approval of real estate credit within 48 hours, possibility to pay back a credit in advance without fee and with other interesting benefits.

High number of contracts for sells and rents



Monarská alej in the Čierna Voda locality (Chorvátsky Grob) - the biggest residential project in Bratislava vicinity brings not only harmonic housing in the satellite residential zone but also complex social facilities. On February 13, 2009 the developer subscribed the contract with TESCO the shopping chain on operating the supermarket involving the total area of 1 270 m² (called Monarmarket till now), which ought to be open in summer 2010.

Actual state of spaces sell in the shopping-relaxation centre Monar involving the total area of 3 550 m², with 88 parking places and the term of opening in autumn 2009 looks promisingly. The drugstore, the coffee-shop, the pharmacy, the cigar-store, the kindergarten and the medical ambulances as well (together 1 323 m²) have already signed the rent agreements, while the restaurant, the fitness centre, the tailor- made furniture, the bank and the chocolate-store are still in the phase of proceedings.

The 3nity project situated in the former industrial and the present administrative zone of the wider centre, which develops multifunctional requirements and provides five basic functions (housing, business, administrative, sport and relax, parking) counts with both supplementing the function of housing in the concerned urban area and creation of a new high dominant up to the height of 27 aboveground storeys.

In contrary with Croatia, Hungary, England, Denmark and the USA, where Vara Group partners serve, situation in Slovakia is said be better. It also indicates results of sell in previous months: 5 signed contracts (flats), 4 signed rental contracts (business places) and 2 agreements about rent before signing (office spaces). Whole actual state says that from 80 signed booking agreements for buying flat in the tower I, 25 were breached till January 2009. From 55 valid booking agreements 40 have been signed and 15 are in proceeding process. From 10 100 m² of business and 7 400 m² office spaces the rent of 12 000 m² has already been signed. Among contracted units belong the coffee shop, the cigar-store, the optics', the beakers', the bio food, the fast foods, the lawyer offices and the kindergarten.

So realization of the 3nity project at the price of 85 millions Euro is in full action. The updated time table expects finalization of the first phase in Q4 2010 and the second phase in Q3 2011, whereas flats and business spaces ought to be taken over in Q1 2012. It confirms expressly that if the developer and the bank proceed together in the offensive against the crisis, the measure of successfulness is logically increasing.

Visualisation and photo - Vara Group

31.03.2009 08:00, SF / Juraj Pokorný