

# JLLS: Investment in real estate in Slovakia rose by 77% yoy

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The total volume of completed real estate investment made in Slovakia in the first half of 2011 was nearly EUR 80 million, which is an annual increase by up to 77% compared with the same period in 2010 (EUR 45 million). Slovak capital market is showing first signs of recovery, which suggests the number of completed as well as planned transactions. Real estate firm Jones Lang LaSalle (JLLS) estimates the the volume can reach EUR 200 to 300 million here this year.

During the first half of 2011, three transactions were concluded in Slovakia. Czech investor CPI Group bought Family centres in Nitra, Piešťany, Komárno, Dunajska Streda and others. After the acquisition of River Park Kempinski Bratislava, Best Hotel Properties acquired for their portfolio next project worth EUR 31 million - Grand Hotel Kempinski High Tatras in Štrbske Pleso. The third completed transaction was the purchase of office-industrial building in Bratislava by the German company Bosch from Dachser Slovakia. Its tenants are Bosch, Buderus, Loos International and Junker's Slovakia.

In the second half of 2011, JLLS expects industrial sector to be most attractive as it is backed by a large number of transactions in the pipeline. However, activity in the office buildings sector is falling which leads to a lack of medium-sized office buildings. There is also interest in purchasing shopping centres, but - like with offices - a suitable product lacks on the market. The fact that Slovakia is part of the Eurozone is improving its position in the real estate market and increasing its attractiveness for investors. Therefore, JLLS believes that in the coming months, investment activity in the country will grow.

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