

## CEDES 2019: Investors confident even as cycle's end approaches

14:57 2019-09-16

CIJ iDesk I

Documents attached:



Slovakia's property market may be heading into the final stages of the current economic cycle, but its major players do not appear to be over-extended, the way they were a decade ago. That's one of the conclusions that can be drawn following CEDES 2019 in Bratislava last week, where the country's biggest developers, investors and service providers gathered to discuss the state of the market. Organized by Roberts Publishing Media Group in conjunction with conference partner Atrios, the event featured a strong line-up of speakers, skillful moderators and rapid-fire panel discussions on a wide range of current topics.

These included an opening panel featuring Slovenska sporitelna's chief economist Maria Valachyová and PwC's Alexander Šrank whose views on the current state of Europe's and Slovakia's economy were tested by Cushman & Wakefield's head of capital markets Marian Fridrich. Valaychova said that while Germany looking increasingly likely to slip into recession, Slovakia's economy had also slowed considerably to just 2.5 percent growth. However, Valachyová argued that the conditions simply don't look ripe for a recession at the moment and that while the boom appears to be over, continued growth looks fairly certain, for now. Šrank predicted another strong year for investment volumes in 2019, while acknowledging that Slovakia's statistics are heavily reliant on the retail sector. Ultimately, he said, Slovak liquidity is hampered by the relatively small size of the market, as well as the over-sized influence its major, locally-based players have on it.

The conference also featured panels on specific market sectors, including a discussion on the office sector, led by Tomáš Liška (Pressburg Development) and another retail centers, moderated by Katarina Paule (Cushman & Wakefield). Peter Kysela, director of event partner Atrios was the moderator of both the logistics panel and the residential panel. This last panel featured an enlightening discussion not only of the emergence of a rental market in Bratislava, but about the growth of specialized residential products such as senior living.

The day's final discussion, which was nearly as well-attended as the opening one, centered around Juraj Šujan, an adviser to Bratislava's new mayor, who provided invaluable insights into the city administration's energetic moves to modernize the planning process. Years of poor management and secrecy have led to a near-collapse in issuing zoning and planning permits in Bratislava. Worse, the city has been operating without a guiding strategy for years during a period of rapid private development. The Metropolitan Institute has been established to help city officials begin to create a strategy for development by carrying out necessary studies and coming up with creative urban design solutions. But Šujan made it clear in the discussion, which was moderated by IUR director executive director Juraj Suchanek, that there are no quick fixes for Bratislava. The city may need a new master plan, he said, but the reality is that for the foreseeable future, investors and residents of Bratislava will have to learn to work with the one it currently has.

Cushman & Wakefield and Immofinanz were Participating Partners of CEDEM 2019 while the legal firm Wilsons was an event Partner. The conference was organized by Roberts Publishing Media Group in conjunction with the event's General Partner, Atrios Real Estate.