

## Czech property investment up 59% in 2015

11:03 2015-11-30

CIJ iDesk I

Documents attached:



In the Czech Republic, the volume of investment over the first three quarters of 2015 have rocketed 59 percent. According to the most recent report by Cushman & Wakefield, €2.42bn were transacted before the end of September, if hotel deals and residential sales such as RPG Byty portfolio were taken into account. Office, retail and warehouse sales amounted to €1.67bn, with y-o-y growth 13 percent, said Lenka Šindelářová of the Cushman & Wakefield Prague office.

In Europe, the decreasing number of US investors is being compensated for an increase the increasing presence of Asian players. Chinese investors, for example, have purchased €3.9bn worth of properties around Europe. In the Czech Republic, CEFC has been the most active, having bought ZIBA, Martinický palace and Oáza Kladno shopping center. Next to mix-use and retail properties, the investors have shown interest also in alternative properties, such as student accommodation and health facilities. Yields have continued to fall, with retail properties along European high streets selling for 5 percent yields and prime office returns now at just 5.6 percent. Industrial yields were in the range of 7 percent.

Overall, property investment rose 37 percent y-o-y across Europe in the first three quarters of 2015. UK properties dominated the market followed by German office, retail and warehouses, commercial properties in Benelux, Scandinavia, Spain and Italy, have also attracted increased interest.

