

# REPORT Q3 2018

## INDUSTRIAL PROPERTY MARKET

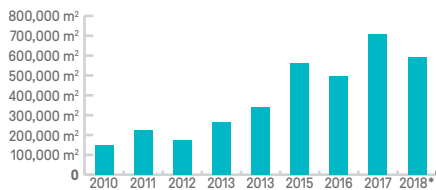
The third quarter of 2018 did not bring any improvement of the situation in terms of availability of free warehouse spaces. Despite continued high level of construction, incl. speculative, the Czech industrial market can be characterized by an excess of demand for supply and the "developer market" is quite appropriate. A number of newly built parks in attractive locations report full occupancy in record-breaking times, again including speculative construction.

"The development of projects in the area of Brno or Ostrava benefits from the current situation, when established industrial parks in the area of wider Prague or northern and western Bohemia face limits to their further expansion and demanding companies must actively deal with alternatives."

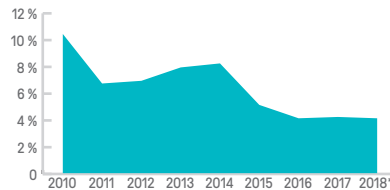
MAREK SÝKORA  
Senior Consultant



### COMPLETED CONSTRUCTION

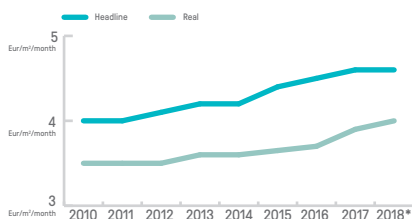


### VACANCY RATE



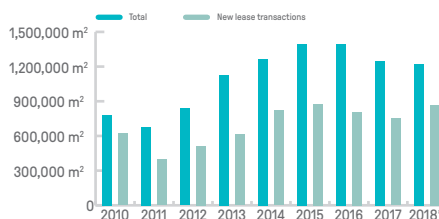
### AVERAGE RENTS

(the average rent in the "A" segment is calculated)



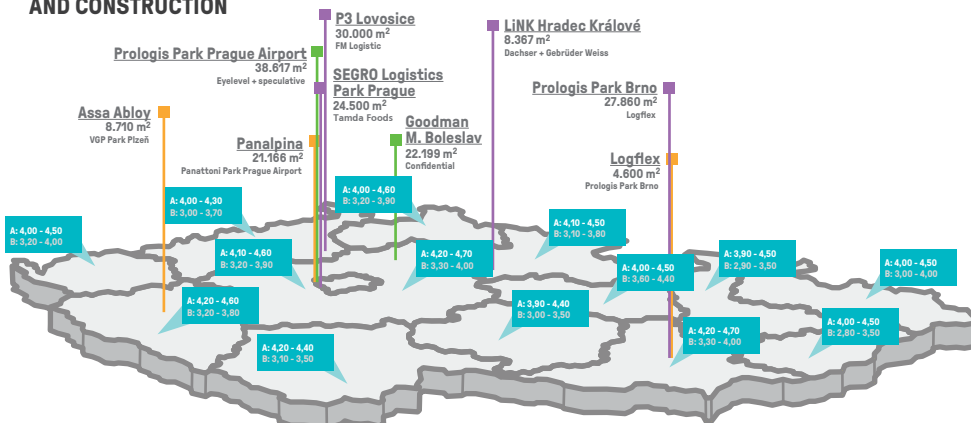
### TAKE UP

(\*Total includes all closed transactions in the "A" class segment)



### SELECTION OF TRANSACTIONS AND CONSTRUCTION

■ significant transactions ■ new construction ■ completed construction



**"A" CLASS PROPERTIES**  
**7,550,000 m²**

**CONSTRUCTION COMPLETED**  
**180,000 m²**

**UNDER CONSTRUCTION**  
**387,000 m²**

**VACANCY**  
**4.1 % [310,000 m²]**

**AVERAGE RENT**  
**"A" CLASS**  
**4.00 - 4.70 EUR /M²/MONTH**

**"B" CLASS**  
**3.20 - 3.90 EUR /M²/MONTH**

**YIELD**  
**"A" CLASS**  
**6.5 %**

**"B" CLASS**  
**7.5 %**

**UNEMPLOYMENT RATE**  
**2.8 % [234,000 prs.]**