

## Erste Group's Slovak subsidiary to finance Forum Business Center I in Bratislava for HB Reavis

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Erste Group's Slovak subsidiary Slovenská sporiteľňa won a tender to finance an office building in the central business area of Bratislava

The total amount of the fixed loan with a 5 year maturity to reach EUR 29 mn

Completion of the building with a total leasable area of 18,700 m2 is planned for mid-2013

To date the building is almost fully leased to Slovak Telekom

Erste Group's Slovak subsidiary Slovenská sporiteľňa won a tender and signed a loan agreement with the real estate developer HB Reavis to refinance the office building Forum Business Center I in Bratislava. The total amount of the fixed loan with a 5 year maturity will reach EUR 29 mn, which will cover up to 70% of the construction costs. The overall investment will amount to EUR 37.5 mn.

"Our wide footprint in real estate markets across Central and Eastern Europe enables us to choose strong partners who have ambitious yet realistic projects," states Richard Wilkinson, CEO of Erste Group Immorent. "This will be already our fifth project with HB Reavis, having completed together in the course of the last decade the shopping and entertainment center Aupark, the managing administrative projects Apollo Business Center I and Aupark Tower in Bratislava as well as the River Garden Office in Prague."

The office building with a total leasable area of 18,700 m2 is located in the central business area of Bratislava, on the corner of Prievozská and Bajkalská Street. The completion of the first phase is planned for the end of the second quarter 2013. "Most of the office space will be rented by Slovak Telekom, which will open its new headquarters here," says Jiří Hrbáček, CFO at HB Reavis group. The developer, which strives to come up with progressive and sustainable solutions, aims for a BREEAM Excellent green building certificate according to the British Building Research Establishment Environmental Assessment Method (BREEAM) for its newly built Forum Business Center I.



Quelle: HB Reavis Real Estate

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### Office yields in CEE continue to move on a steady track

According to Erste Group research analysts, the recovery of the real estate markets in CEE and SEE is closely linked to macroeconomic developments. Growth was impacted by the recent crisis but CEE continues to benefit from sound market fundamentals and is far less indebted than western European countries. CEE office real estate markets by and large continued their stable path throughout 2012 despite the macro-economic headwinds across Europe. Sales transactions proceeded at a slower pace than last year, but this is partially because of the lack of prime investment products. Investor hot spots in the region remain Russia and Poland due to their strong economic performance. Office yields in CEE have stayed on a steady track in 2012 as opposed to Southern European periphery countries where yields softened.



Quelle: CBRE, August 2012

This solid yield development in CEE is also supported by rent levels holding up throughout the year.

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