



MARKET FUNDAMENTALS

| | YOY Chg. | 12-Month Forecast |
|--|----------|-------------------|
| 3.11% Vacancy Rate | ▲ | ▲ |
| €7.50 Prime Rent, sq m/month | ▼ | — |
| 5.15% Prime Yield | ▲ | — |

(Overall, All Property Classes)

ECONOMIC INDICATORS

| | YOY Chg. | 12-Month Forecast |
|---------------------------------------|----------|-------------------|
| 1.7% GDP Growth* | ▲ | ▲ |
| 2.5% Unemployment Rate | ▼ | — |
| -0.2% Industrial Production | ▲ | ▲ |
| 2.1% CPI* | ▼ | — |

*Annual growth estimates
Source: Moody's Analytics

ECONOMY: THE CZECH ECONOMY IS RECOVERING FOLLOWING AN EXTENDED PHASE OF STAGNATION

Czechia's economic outlook has been revised upward after stronger-than-expected growth in the first half of 2024, largely fueled by a rebound in private consumption. However, the recovery will likely remain uneven, as elevated imports and reduced inventories may dampen some of the momentum generated by increased consumption. Building on recent momentum, industrial production is expected to rebound, gaining strength in the second half of the year due to rising demand, particularly in the automotive sector. With consumer confidence increasing and household spending on the rise, the domestic market will further support this recovery. Additionally, stronger external demand from the eurozone is anticipated to significantly boost Czech exports.

SUPPLY & DEMAND: A SLIGHT DECLINE IN DEMAND LEADS TO THE RISING VACANCY RATE

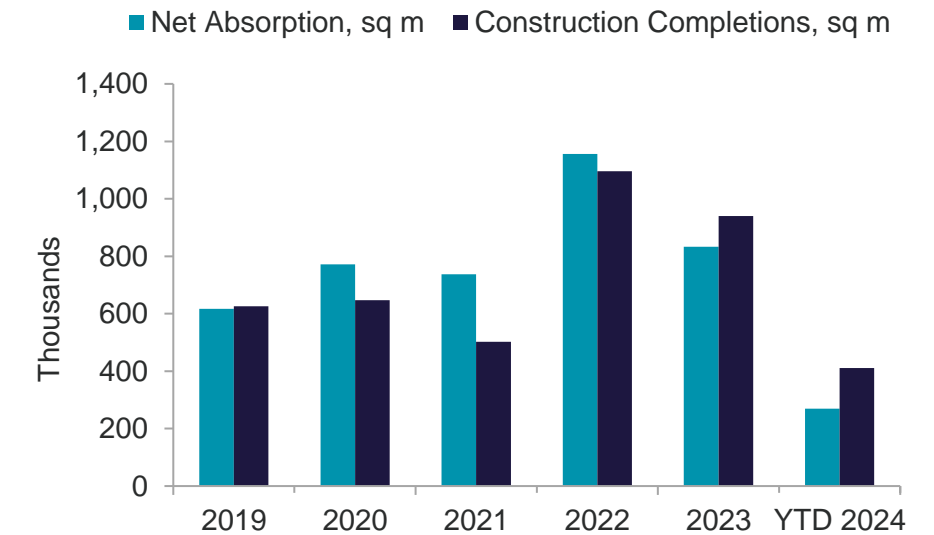
The total industrial stock reached 12.2 million sq m in the third quarter of 2024, with an additional 163,500 sq m of new, modern industrial space delivered across nine industrial parks. Approximately 76% of this space was pre-leased at the time of completion. An additional 242,100 sq m is expected to be completed by the end of 2024. The total volume of projects currently under construction reached 1,045,000 sq m, with 33% of this space located in Karlovy Vary, 17% in the Moravia-Silesia region, and 12% in the Pilsen region. The share of speculative construction increased slightly to 36%.

The demand from occupiers decreased by 28% compared to the previous quarter, reaching 335,100 sq m. However, compared to the same period last year, demand increased by 61%. Pre-leases made up over 49% of this total. Similarly, net take-up dropped by 35% compared to Q2 2024, reaching 203,100 sq m. Gross take-up this quarter was primarily driven by production companies, which accounted for 65% of the total. The vacancy rate increased slightly again in Q3 2024, reaching 3.1%. If the "shell & core" projects—halted just before completion and awaiting tenants—were included in the calculation, the vacancy rate would approach nearly 6%.

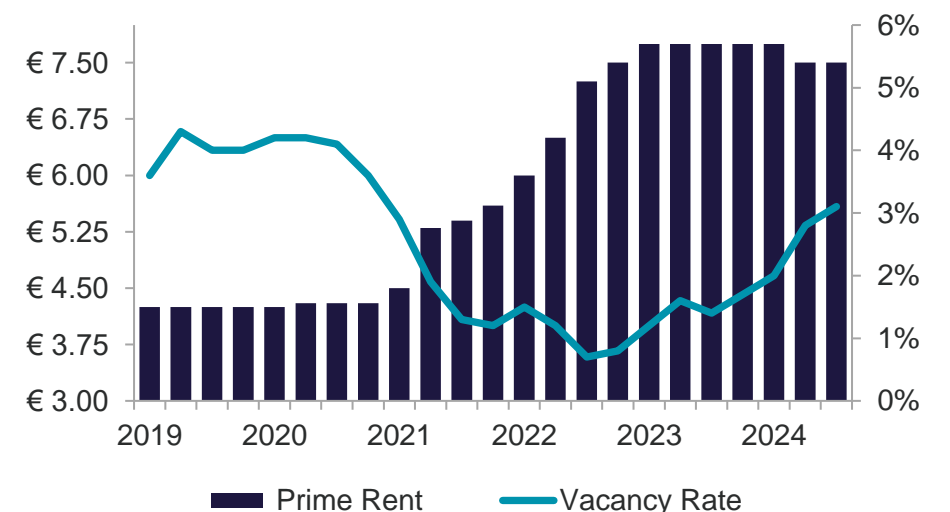
PRICING: PRIME INDUSTRIAL RENTS HOLD STEADY ACROSS CZECHIA

In Q3 2024, monthly prime headline rents for a standard 10,000 sq m warehouse unit held steady across all major regions in Czechia, at €7.50/sq m in Prague, €6.50/sq m in Brno, and up to €6.00/sq m in Pilsen. After a sharp increase over the past year, prime industrial rents are projected to remain stable in the coming months.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & PRIME RENT



MARKET STATISTICS

| SUBMARKET | STOCK (SQ M) | AVAILABILITY (SQ M) | VACANCY RATE | CURRENT QTR TAKE-UP (SQ M) | YTD TAKE-UP (SQ M) | YTD COMPLETIONS (SQ M) | UNDER CNSTR (SQ M) | PRIME RENT (€/SQ M/MONTH) |
|------------------------------|-------------------|---------------------|--------------|----------------------------|--------------------|------------------------|--------------------|---------------------------|
| Greater Prague* | 3,532,800 | 74,300 | 2.1% | 67,200 | 267,300 | 30,300 | 85,300 | € 7.50 |
| Pilsen region | 1,817,100 | 49,200 | 2.7% | 42,900 | 121,900 | 30,700 | 124,900 | € 6.00 |
| South Moravia region | 1,512,800 | 28,000 | 1.8% | 72,800 | 128,600 | 89,500 | 36,000 | € 6.50 |
| Moravia-Silesia region | 1,167,900 | 90,200 | 7.7% | 48,500 | 188,500 | 47,300 | 181,200 | € 5.75 |
| Central Bohemia region | 895,600 | 21,800 | 2.4% | 14,600 | 18,100 | 45,700 | 118,100 | |
| Usti nad Labem region | 877,500 | 42,800 | 4.9% | 42,600 | 99,900 | 35,500 | 84,300 | |
| Olomouc region | 612,200 | 18,200 | 3.0% | 900 | 31,400 | 15,900 | 26,500 | |
| Karlovy Vary region | 438,200 | 11,500 | 2.6% | 28,800 | 28,800 | 60,600 | 348,200 | |
| Liberec region | 422,200 | 15,800 | 3.7% | 0 | 4,700 | 37,000 | 0 | |
| Pardubice region | 295,500 | 21,800 | 7.4% | 15,000 | 17,300 | 0 | 2,200 | |
| Hradec Kralove region | 225,300 | 4,300 | 1.9% | 0 | 0 | 0 | 0 | |
| Vysocina region | 200,400 | 0 | 0.0% | 0 | 0 | 6,200 | 0 | |
| South Bohemia region | 116,900 | 0 | 0.0% | 1,800 | 46,500 | 8,300 | 38,300 | |
| Zlin region | 54,400 | 0 | 0.0% | 0 | 4,200 | 4,200 | 0 | |
| CZECH REPUBLIC TOTALS | 12,168,800 | 377,900 | 3.1% | 335,100 | 957,200 | 411,200 | 1,045,000 | € 7.50 |

* Includes the cadastral territory of the capital city of Prague and projects in the Central Bohemian Region, which are located within a radius of 10-15 km from the borders of Prague.

KEY LEASE TRANSACTIONS Q3 2024

| PROPERTY | SUBMARKET | TENANT | SIZE (SQ M) | TYPE |
|-----------------|-----------------------|-------------------------|-------------|-----------|
| DMC Park Brno | South Moravia region | ThermoFisher Scientific | 54,000 | Pre-lease |
| CTPark Žatec | Usti nad Labem region | confidential | 39,500 | Pre-lease |
| CTPark Blatnice | Pilsen region | confidential | 29,300 | Pre-lease |
| CTPark Cheb | Karlovy vary region | confidential | 20,900 | Pre-lease |

KEY CONSTRUCTION COMPLETIONS Q3 2024

| PROPERTY | SUBMARKET | MAJOR TENANT | SIZE (SQ M) | OWNER/DEVELOPER |
|-----------------------------|------------------------|---------------|-------------|-----------------|
| CTPark Blučina | South Moravia region | Inventec | 52,600 | CTP Invest |
| Panattoni Park Kladno South | Central Bohemia region | Hanon Systems | 21,000 | Panattoni |
| P3 Plzeň Myslinka | Pilsen region | vacant | 17,800 | P3 |

Source: Cushman & Wakefield, Industrial Research Forum

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