

# Shopping complex to hit 300,000 m<sup>2</sup>

Shopping Palace and Zlaté Piesky recreation centre due for completion in 2008

BY TOM NICHOLSON Spectator staff

THE FIRST phase of the Soravia Shopping Palace centre, the largest of its kind in Slovakia, was opened in November 2004 near the Zlaté Piesky recreation area on the northern outskirts of Bratislava.

Housing over 100 stores and restaurants, the new centre is connected to the Tesco hypermarket that was opened in August 2003, and which remains Slovakia's largest. Part one of the Shopping Palace scheme includes 5,000 square metres in administrative and office space that was to be finished in May 2005.

The second part of the palace scheme, involving another 100 shops, will be launched in January 2006 and finished in autumn 2006.

The third part, a sprawling entertainment complex followed by a series of "stand-alone" retail centres at the south end of the development leading up to the IKEA scheme, will be developed in 2007 and 2008.

"We own another 150,000 square metre which will be developed by 2008," said Thomas Seikmann, CEO of Soravia Slovakia, in an interview with *The Slovak Spectator*. "It will be a combination of leisure and shopping, and will be developed like an entertainment center, like Disneyworld, with a hotel and wellness park

"The city will build a street connecting the site to the [main Bratislava-Zilina] highway by 2006 or 2007 and then there will be room for five to seven stand-alones. From that point on you will be able to enter it from the highway or from the city side, and the IKEA and Palace schemes will be connected together, making this the biggest shopping region in Slovakia ever."

In addition to the Soravia Park centre which the firm opened in May 1998 as the first shopping centre in Bratislava, Soravia expects the Palace project to have up to 300,000 square metre developed by 2007.

The main investor in the massive project is the Austrian Soravia group, which according to Seikmann has already spent €70 million and will be investing a further 100 million. "We will also be building a hotel in Košice and one or two in Bratislava, and we'll be developing the Danubia Print building on Gorkého Street [in Bratislava]," he said.



Courtesy of Soravia

THE FIRST phase of the Austrian developer's Shopping Palace mall was opened in November 2004.

Phase one of the Shopping Palace project was prepared by the Austrian firm Jahn Development, while construction was carried out by the Slovak-Austrian consortium of ZIPP Bratislava and Alpine Mayreder.

Soravia group has already sold

the Shopping Palace centre to the Bank Austria Creditanstalt Immo Trust investment fund, which is active in real estate in Central Europe.

"There is no real exit strategy for a thing like this," said Seikmann. "If you are the biggest and offer some

interesting things, the customers will come. There is room for at least two or three big centers in Bratislava. Ballymore will be opening a very good project on the other side of the city, about 45,000 square metres of shopping alone, and I think we can live with them." ■

## Projects by the largest Bratislava developers

### Finished projects

<b>HB Reavis Group</b>	
Aupark	3.0 bn. Sk
Apollo Business Center	2.2 bn. Sk
Business Center I, II, III, IV	1.5 bn. Sk
Logistical Centers Rača I, II	0.8 bn. Sk
Apollo Business Center II-V	3.8 bn. Sk

### TriGránit

Polus City Center	2.9 bn. Sk
Millenium Tower I	1.1 bn. Sk
Millenium Tower II	1.2 bn. Sk

### Launched projects

<b>HB Reavis Group</b>	
Pirelli/Kablo development	7.0 bn. Sk
City Business Centre	3.5 bn. Sk
Aupark extension	1.6 bn. Sk

<b>Soravia Group</b>	
Shopping Palace-Zlaté Piesky	6.8 bn. Sk

### Planned projects

<b>J&amp;T Global</b>	
River Park	4.8 bn. Sk
Podhradie area	4.8 bn. Sk
Karloveské rameno	0.5 bn. Sk
Presscenter re-development	1.0 bn. Sk

### SK Invest

Hotel Kyjev re-development	2.0 bn. Sk
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### TriGránit

Kuchajda Lake complex	5.9 bn. Sk
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### Ballymore Properties

Danube riverside project	10.0 bn. Sk
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### I.P.R. Slovakia

Main train station complex	7.5 bn. Sk
Astoria-Palace	0.3 bn. Sk

### HB Reavis Group

Re-development of bus station	8.0 bn. Sk
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Source: Hospodárske noviny



# Old EU "closing eyes" to New Europe boom

By TOM NICHOLSON Spectator staff

THE SLOVAK SPECTATOR spoke with Thomas Seikmann, CEO of Soravia Slovakia, about current trends on Slovakia's real estate market.

**The Slovak Spectator (TSS): Are we seeing a move from the trend of building shopping centres on the outskirts of cities to one where large retail centres are opening up in city cores, such as the Ballymore scheme?**

**Thomas Seikmann (TS):** "They are totally different concepts because there is no possibility to have stand-alones in the centre of the city, such as DIYs like Baumax. Across Europe there are between five and ten firms that are doing these stand-alones where people come by car and spend up to half a day taking care of their shopping needs, and where you also have leisure and recreation on offer."

**TSS: A few years ago it looked as if Bratislava would have too much office space, but all of a sudden**

**there seems to be a crunch.**

**TS:** "It's only now that it looks like there's too little. I think in two or three years there could be too much because there are a lot of projects. Still, Bratislava is very interesting because the market is just now starting. Germany is dying and Old Europe is closing its eyes and not mentioning the fact that the new business will be here for the next 20 years. Everything is new here, there are a lot of great restaurants, and it's more lively than Vienna, for example."

**TSS: Can you think of any other city in the region where three such huge projects - Shopping Palace, Ballymore, and River Park - are growing up side-by-side?**

**TS:** "I think it will happen sooner or later in every city in the region. A lot of Slovak people are still going to Gyor, Vienna or Brno to do their shopping because the big chains are not in the market. The first step is to build something here so Bratislava

residents don't have to go to Vienna.

**TSS: Everyone is still waiting to see the master plan from Bratislava city council that will define how the city is to be developed in the years ahead. Has it been difficult designing and executing your project with no planning guidance from the city?**

**TS:** "We're also waiting for the plan, but I have to say our cooperation has been excellent. We were the first ones here, at a time when getting started was very difficult, and over those seven years since 1998 we have formed relationships with all of the people who are important. They have always tried to help us, and the only difficulty they have had is that they too were waiting for the master plan."

**TSS: Slovak banks have become very aggressive in their consumer and mortgage lending, but seem not to have been very successful in financing large real**



Courtesy of Soravia

THOMAS Seikmann.

**estate projects. Why is that?**

**TS:** "We also work with Austrian banks because six or seven years ago, Slovak banks were not able to give us big enough amounts. Now all the Slovak banks have foreign owners, which means they have to ask in their mother countries [for authorization on large projects], and this is another problem." ■



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SHOPPING  
**PALACE**  
BRATISLAVA-ZLATÉ PIESKY

- administratívne priestory na prenájom v nákupnom centre Shopping Palace
- príjemné pracovné prostredie pre Vašich zamestnancov
- široká ponuka reštaurácií, obchodov a služieb
- výhodná poloha v blízkosti rekreačnej oblasti Zlaté piesky
- výhodná cena

Vaša predstava je pre nás výzvou

Viac informácií: Nákupné centrum Shopping Palace, Bratislava - Zlaté piesky, [www.shoppingpalace.sk](http://www.shoppingpalace.sk)  
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