



## Curent market situation

### Croatia

Compared to January 2010 real estate prices in Croatia show no significant changes but prices are a slight increasing by 0,8%. Real estate prices in Zagreb are higher by 0,5% in February, while on annual level are lower by 4,1%. Average apartment price in Zagreb in January amounts to 1.873 EUR/m<sup>2</sup>, and is almost the same compared to the previous month and 4,8% less when comparing to February 2009.

Highest apartment prices are in Zagreb Medveščak – Upper town area with average price of 2.603 EUR/m<sup>2</sup> (39% above average) and in Zagreb Center – Down town area with average price of 2.426 EUR/m<sup>2</sup> (30% above average). Average price of apartments in New Zagreb remained the same. Average price of houses in Zagreb are 1.289 EUR/m<sup>2</sup> which is 1,4% higher comparing with month before, while on annual level the prices of houses are lower by 1,1%.

The prices of holiday houses and apartments in Adriatic area are higher by 1,2% comparing with month before while on annual level are lower by 2,9%. Price of houses on the coast are 1.601 EUR/m<sup>2</sup> or 1,6% higher than previous month. Average apartment price on the coast in February is higher by 2,0% on monthly level which amounts to 2.137 EUR/m<sup>2</sup>. We can see difference in prices from Istria (average price of apartment in Pula of 1.600 EUR/m<sup>2</sup>) to Dalmatia (average price of apartment in Split of 2.319 EUR/m<sup>2</sup>).

## Breaking news

### French Carrefour founded a joint venture company with the Greek Marinopoulos

In a statement Carrefour announced opening the chain of hypermarkets and supermarkets under its own brand in Croatia and also in Slovenia, Bosnia and Herzegovina, Serbia, Montenegro, Macedonia and Albania. Carrefour already has cooperation with the Greek company Marinopoulos through which entered the market in Greece, Cyprus and Bulgaria. Company is in charge of the Balkans and is divided into 60 compared to 40 percent. Greeks have the most, while the remaining 40 percent will be controlled by Carrefour Marinopoulos, a joint company formed by partners in Greece. Also, the new company will be integrated and joint venture companies established in Bulgaria.

In 17 years of partnership joint venture company opened 35 hypermarkets, 219 supermarkets and 284 shops. Given the recent acquisition in Greece, where Carrefour Marinopoulos acquired 100-percent owned supermarket chain Dia Hellas, whose stores will gradually be converted to Carrefour, it is possible that the Franco-Greek companies to enter new markets via an acquisition.

### Zagrebacka Bank lowers interest rates on new and existing housing loans

Zagrebacka bank from 15th February introduces additional favorable offer housing loans and announced reduction of interest rates on existing housing loans from 1st May for the Bank's clients. The interest rates on the new offer housing loans will be lower by 0.25 pp and will amount to 6.75% on loans for young people, or 7.25% for standard housing loans. For all requests received for the realization of all types of residential loans, the Bank will not charge a fee in the period from 15th February to 15th April this year. At the same time, the Bank announced that for its clients who have regular income in the current account in Zagrebacka bank lowered the interest rate on all existing housing loans by 0.25 pp. New interest rate will apply for the accounting period from 1st May, and this is the first decline in interest rates on existing housing loans from year 2006.

## State of the projects

### Lumini shopping centre

We bring you an update on construction works performed during February 2010 on Lumini site in Varazdin. Also, please visit [www.lumini.hr](http://www.lumini.hr) to get a full construction update.



### CEE office market conference, warsawa, Poland

At the CEE Office Market Conference in Poland Mr. Erik Mohorović gave a very interesting presentation on Croatia office market and participated in the discussion "Waiting for recovery"

