

DEVELOPMENT OPPORTUNITY Budapest Office and Retail Center



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Real Estate Development

Budapest Office and Retail Center

Assessment of the neighborhood

The 13th District is one of the most dynamically developing areas of Budapest. The main transport hub of the district is Váci út, which is also an important transit route, with over 80,000 vehicles passing through it each day. Owing to its advantageous location several commercial centers operate here. The plans for transport development envisaged in the medium-term development concept of the capital also add to the value of the area and its central location. As a result of foreign investment, several hotels, conference and wellness facilities and some 10,000 apartments will be built in the near future on nearby property. Population growth induced by the new development, new jobs created and increased tourism will in all probability result in the construction of new commercial, service and entertainment facilities. Successful commercial activity has been carried out since 1990 on a nearly three-hectare part of the site, called Reno Court. The fact that the neighborhood is well-known by the customers can also be considered an asset. Over its ten-year operation so far, Reno Udvar has made the most of its capacity in terms of both commercial units and offices.

Value-adding factors:

- A well-established commercial center;
- A high rate of utilization;
- Accessible by public transport and automobiles alike;
- Some 80,000 vehicles passing through each day;
- Cserhalom utca will be expanded into a four-lane road;
- Parking on site;
- The internal road network accommodates large trucks;
- Complete with public utilities and telecommunication facilities;
- No groundwork is required;
- Public lighting;
- All-around fence;
- Porter service with electric lifting gates;
- Security service.
- Building height 55 meters on designated area.



Development concept

This real estate development will take place on a plot with an area of more than seven hectares located along Váci út. The general development plan for the site can be prepared by Eric van Egeraat world renowned architectural firm among others, thus guaranteeing the fulfillment of even the most exacting demands. Regarding its location and size this facility with a total floor area of 210,000 sq. meters is perfectly suitable for the establishment of office, retail, leisure/entertainment units, as well as hotels.

The site can be developed in two phases. Construction and development can start initially in the area of the former power plant, during Phase 1. The lease contracts with the tenants in this area are subject to termination with three months' notice. The Reno Court shopping Center presently rented, generating 2 million net rental fee annually. Owing to the ease of isolation, the development of Reno Court commercial activities can continue during Phase 2 without interruption. The vacating of Phase 2 and construction can begin with the delivery of Phase 1, assuring a constant inflow of rent of 2 millions Euros per year. The current tenants of Reno Court commercial area can then move to the new building along with the new tenants. In the course of both phases commercial units with considerable size, office blocks and apartments will be developed. Based on the plans an area of nearly 65,000 sq. meters will be established for retail units, and 155,000 sq. meters will be developed for office and mix use.

The site plan allows turning into the area could be possible from the Váci út with two lanes. Even though this large scale real estate development is still in the planning stage, a number of international firms (e.g. food, DIY, hardware, and furnishing store chains, and well-known firms with regard to setting up an office center) have shown interest in the new scheme. Co-tenancy is possible within the office building or even the lease of a whole office building. The wellness centers, restaurants, cafes, bank branches and commercial units established under the project will contribute to a pleasant working environment, to the comfort of the people working there and of visitors to meeting their overall needs.

This project will contribute greatly to Váci út and the 13th District becoming Budapest's new business and shopping district.