Zeitgeist Asset Management expanding offer of rental housing in Prague by 153 flats with a leasable area of more than 10,000 sqm

Prague, 4 October 2018

**Zeitgeist Asset Management, a company specializing in property development and asset management services for private and institutional investors, is expanding the offer of rental housing in Prague by more than 150 flats. They will be going up in attractive Prague localities in five residential buildings, newly purchased for a German pension fund. Due to the current high real estate prices in the Czech Republic, rental housing has already become a popular alternative to home ownership. Thus, Zeitgeist is planning to further expand the offer of rental housing in the capital city.**

From the five newly-purchased buildings with a rentable space of 10,215 sqm, two are in Prague 1 (Opletalova 41, U Půjčovny 2), and the others in Prague 2 (Myslíkova 8), Prague 3 (Jeronýmova 10) and Prague 5 (Kotevní 3). Zeitgeist Asset Management is planning to refurbish these buildings and create a total of 153 rental flats, which will double its existing portfolio, currently numbering 150 units. *“Rental housing in Prague offers a huge potential, and that’s why we want to continue at a similar tempo in the following years. Our goal is to build a portfolio with a volume of more than 500 rental flats by the year 2020,”* stated Peter Noack, the Co-founder and Managing Director of Zeitgeist Asset Management.

Over the long-term perspective, the Czech Republic has been one of the countries with the lowest proportional representation of rental housing within the European Union: it currently amounts to a mere 22% on the market of residential properties. This trend is gradually starting to change, however. Due to the significant increase in the price of flats, caused by insufficient construction, the slowness of building permit proceedings and licensing regulations and the limited amount of land, Czechs are starting to become more interested in rental housing. Thus, in the future a divergence from the currently popular private ownership of housing can be expected, also due in part to the planned stricter conditions for the provisioning of mortgages.

*“As a result of some regulatory changes in the coming years, young families in particular will not be able to afford to buy their own flat. Thus we expect a considerable increase in the demand in this segment. Our goal is to create a broad range of rental housing across localities and various standards so that we are able to satisfy all potential clients,”* added Peter Noack.

**About Zeitgeist Asset Management**

*Zeitgeist Asset Management, with offices in Prague, Warsaw and Berlin, is specializing in property development and asset management for private and institutional investors in the Czech Republic, Poland, Hungary and Germany. Zeitgeist today manages assets valued at EUR 312 million.*

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