

BUCHAREST RETAIL MARKET

2017



BUCHAREST GENERAL OVERVIEW



CUSHMAN &
WAKEFIELD

Echinox

Population (2011 Census)	1,883,425
Metropolitan Population (2011 Census)	2,272,163
Employees (Dec. 2017)	989,580
Students (2016)	172,038
Unemployment rate (Dec. 2017)	1.5%
Average net salary (€/month) (2017)	682
GDP/Capita (€) (2017)	22,111

Sources: National Institute of Statistics, National Commission of Prognosis



BUCHAREST RETAIL MARKET 2017

The modern retail stock in Bucharest reached 1.23 mil. sq. m at the end of 2017. Last year, the new supply was of 8,000 sq. m, after the opening of AFI Palace Cotroceni extension, which strengthened the shopping center's position as the largest mall in Romania, reaching 90,000 sq. m GLA.

Sun Plaza, located in Piata Sudului area, remodeled app. 20,000 sq. m of the retail space, adding 40 new stores.

The stock consists in 15 shopping centres with a total GLA of app. 700,000 sq. m (58% of the stock), 10 retail parks comprising a GLA of 391,000 sq. m (33%), while 6 commercial galleries (106,000 sq. m GLA) cover the remaining 11%.

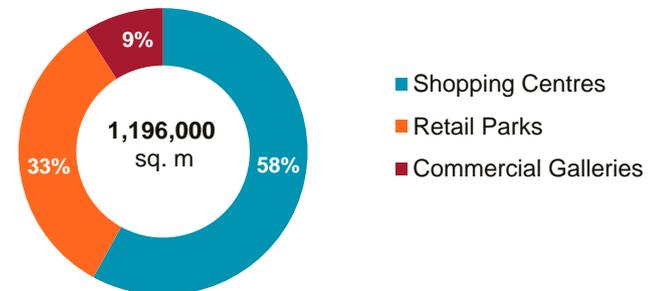
The general vacancy rate reduced from 4%, at the end of 2016, at 3%, with dominant projects being in the position to select new tenants from waiting list.

The average density of modern retail space reached 635 sq. m / 1,000 inhabitants. 1st District of Bucharest, the wealthiest, has the highest density, with 967 sq. m / 1,000 inhabitants, but also the highest occupancy rate (99.9%) and the highest headline rent, with € 70 - 80 per sq. m / month.

The 6th District of Bucharest continues to have the largest retail stock, with 310,000 sq. m, being followed by the 3rd District, with 271,000 sq. m.

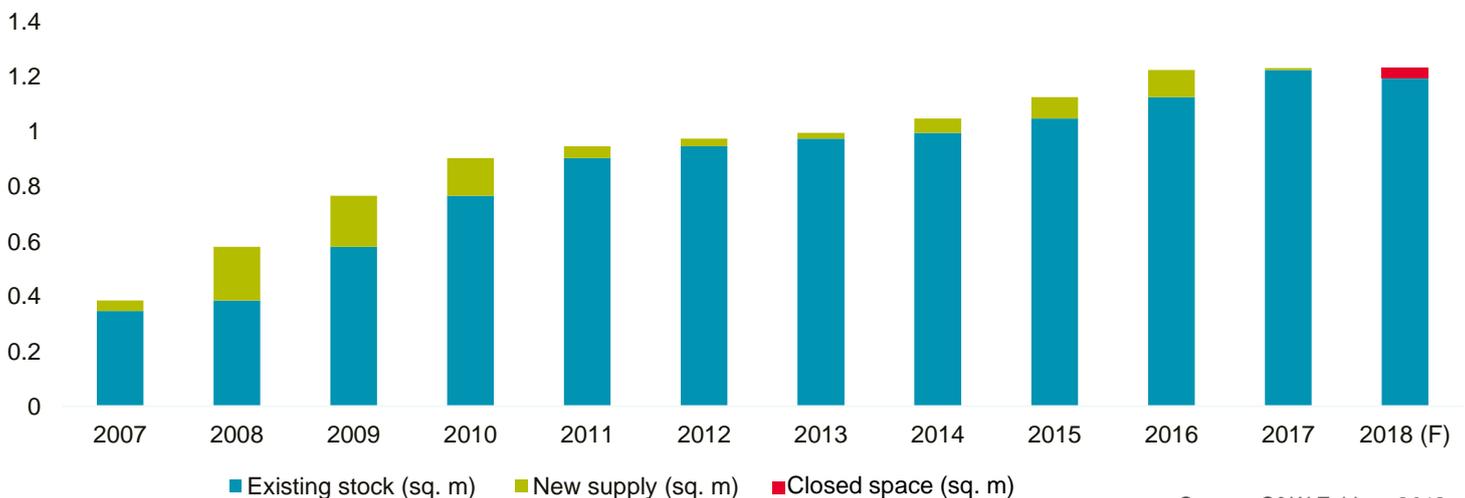
There is no major retail project scheduled for completion in 2018. In January 2018, the shopping gallery and Carrefour hypermarket in Vitantis Shopping Center have been closed, reducing the stock to app. 1.2 mil. sq. m.

Going forward, Colosseum Retail Park and Promenada Mall will be extended, while new retail parks will be developed in Balotesti (DN 1 Value Center developed by Prime Kapital) and Theodor Pallady Bd. (developed by ERES on Policolor site).



Source: C&W Echinox January 2018

BUCHAREST MODERN RETAIL SPACE EVOLUTION



Source: C&W Echinox 2018

BUCHAREST RETAIL MAP 2017

1st DISTRICT

- ① Baneasa Shopping City
- ② Baneasa Retail Park
- ③ Feeria
- ④ Promenada Mall
- ⑤ Colosseum Retail Park

2nd DISTRICT

- ① Mega Mall
- ② Veranda Mall
- ③ Pipera Plaza
- ④ Carrefour Colentina
- ⑤ Esplanada Pantelimon

6th DISTRICT

- ① AFI Palace Cotroceni
- ② Plaza Romania
- ③ Cora Lujerului
- ④ Carrefour Orhideea
- ⑤ Auchan Drumul Taberei
- ⑥ Militari Shopping
- ⑦ West Park
- ⑧ Fashion House

3rd DISTRICT

- ① Parklake Plaza
- ② Bucuresti Mall
- ③ Unirea Shopping
- ④ Cocor
- ⑤ Iris Shopping Center
- ⑥ Arcade Pallady
- ⑦ Intercora Mihai Bravu

5th DISTRICT

- ① Liberty Center
- ② Vulcan Value Center
- ③ Cora Alexandriei

4th DISTRICT

- ① Sun Plaza
- ② Grand Arena
- ③ Arcade Berceni

Source: C&W Echinox 2018

BUCHAREST MAJOR RETAILERS 2017



	1 st District	2 nd District	3 rd District	4 th District	5 th District	6 th District	TOTAL
Kaufland	2	3	1	1	3	3	13
Auchan	-	-	3	1	-	4	8
Carrefour	2	3	2	1*	1	2	12
Cora	-	1	-	1	1	1	4
TOTAL	4	7	6	5	4	10	36

*Carrefour closed its Vitantis store in January 2018



	1 st District	2 nd District	3 rd District	4 th District	5 th District	6 th District	TOTAL
Zara	2	1	3	1	-	2	9
H&M	2	2	5	1	1	3	14
C&A	1	2	1	1	1	2	8
New Yorker	0	1	2	1	-	2	6
LC Waikiki	1	2	3	-	1	3	10
Koton	1	1	4	1	-	3	10
Peek & Cloppenburg	2	1	-	-	-	1	4
TOTAL	9	10	18	5	3	16	61



	1 st District	2 nd District	3 rd District	4 th District	5 th District	6 th District	TOTAL
Altex	1	3	2	2	2	3	13
Media Galaxy	1	1	3	-	-	1	6
Flanco	1	3	2	2	-	3	11
TOTAL	3	7	7	4	2	7	30



	1 st District	2 nd District	3 rd District	4 th District	5 th District	6 th District	TOTAL
Cinema City	-	1	1	1	-	1	4
Other multiplex	1	-	2	-	1	1	5
TOTAL	1	1	3	1	1	2	9



	1 st District	2 nd District	3 rd District	4 th District	5 th District	6 th District	TOTAL
Metro	1	1	1	1	-	1	5
Selgros	1	1	-	1	-	1	4
TOTAL	2	2	1	2	-	2	9



	1 st District	2 nd District	3 rd District	4 th District	5 th District	6 th District	TOTAL
Dedeman	1	1	1	1	-	1	5
Hornbach	1	-	-	1	-	1	3
Leroy Merlin	1	-	-	1	1	-	3
Praktiker	-	1	-	1	-	1	3
Brico Depot	1	1	-	-	-	2	4
Mr. Bricolage	-	-	1	-	-	-	1
TOTAL	3	3	2	4	1	5	18



	1 st District	2 nd District	3 rd District	4 th District	5 th District	6 th District	TOTAL
Decathlon	1	-	1	1	-	1	4
Hervis	1	1	1	1	1	1	6
Intersport	2	1	3	2	-	1	9
TOTAL	4	2	5	4	1	3	19

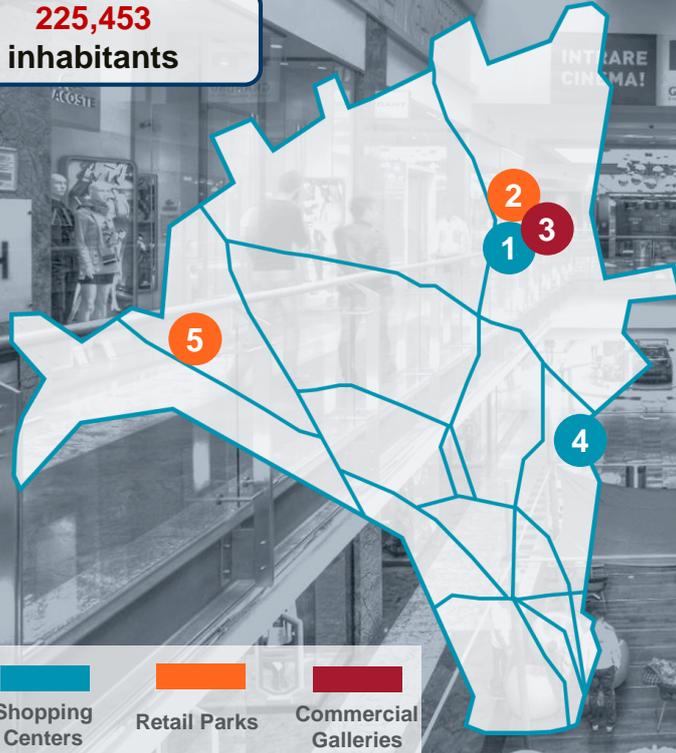


	1 st District	2 nd District	3 rd District	4 th District	5 th District	6 th District	TOTAL
IKEA	1	-	-	-	-	-	1
Mobexpert	1	2	-	-	-	1	4
KIKA	-	-	1	-	-	1	1
TOTAL	2	2	1	-	-	2	7



1st DISTRICT

225,453
inhabitants



Retail density:
967
sq. m/1,000 inhabitants

Est. occupancy
99.9%

Prime Shopping Rent
70 - 80
€/sq. m/month

Modern Retail Developments

Project	Address	Delivery	GLA (sq. m)	Shops	Parking	Owner
1 Baneasa Shopping City	42 D, Bucuresti - Ploiesti	2008	46,000	240	1,500	Baneasa Developments
<i>Major tenants: Inditex, H&M, Peek & Cloppenburg, Mango, Reserved, Next, Sport Couture, Michael Kors, Paul & Shark</i>						
2 Baneasa Retail Park	42 D, Bucuresti - Ploiesti	2008	80,000	15	5,000	Carrefour, IKEA, Mobexpert, Kingfisher
<i>Major tenants: Carrefour, IKEA, Mobexpert, Brico Depot</i>						
3 Feeria	42 D, Bucuresti - Ploiesti	2006	14,000	60	1,400	Baneasa Developments
<i>Major tenants: Media Galaxy, Intersport, CCC, Noriel, Sephora, DM</i>						
4 Promenada Mall	246 B, Barbu Vacarescu	2013	40,000	140	1,300	NEPI Rockcastle
<i>Major tenants: Peek & Cloppenburg, Inditex, H&M, C&A, Hervis, Lacoste, Tommy Hilfiger, Altex</i>						
5 Colosseum Retail Park	284, Chitilei	2011	38,000	20	2,300	Nova Imobiliare
<i>Major tenants: Carrefour, Leroy Merlin, Altex, JYSK, LC Waikiki, Sport Vision, Pepco</i>						

Source: C&W Echinox

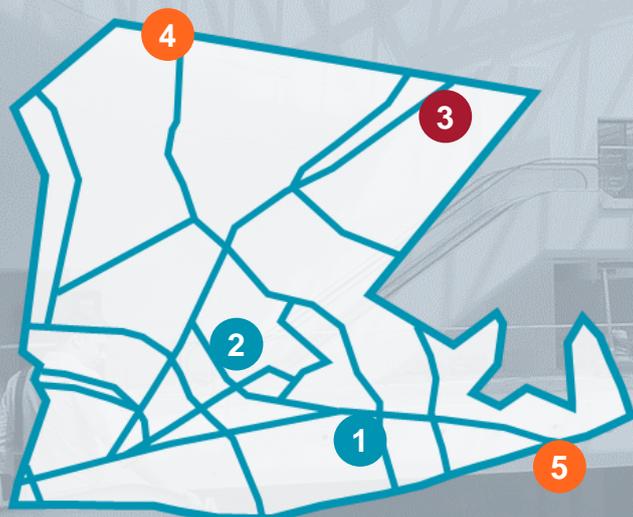
Anchor Tenants*
28



*The above figures include only the operating retailers within the district at the end of 2017, as analyzed at page number 5

2nd DISTRICT

345,370
inhabitants



Retail density:
495
sq. m/1,000 inhabitants

Est. occupancy
97%

Prime Shopping Rent
55 - 65
€/sq. m/month

Modern Retail Developments

	Project	Address	Delivery	GLA (sq. m)	Shops	Parking	Owner
1	Mega Mall	3-5, Pierre de Coubertin	2015	76,000	190	3,000	NEPI Rockcastle
<i>Major tenants: Carrefour, Peek & Cloppenburg, Inditex, Reserved, H&M, C&A, Koton, LC Waikiki, Mango, Cinema City</i>							
2	Veranda Mall	23, Ziduri Mosi	2016	27,000	100	1,200	Veranda Obor
<i>Major tenants: Carrefour, H&M, C&A, LC Waikiki, Altex, DM, Deichmann, CCC</i>							
3	Carrefour Colentina	426, Colentina	2004	14,000	20	700	Carrefour Property
<i>Major tenants: Carrefour, Altex, Casa Rusu, Marionnaud, KFC, Zoomania</i>							
4	Pipera Plaza*	14, Bucuresti Nord	2015	10,000	27	250	Mitiska-REIM
<i>Major tenants: Lidl, JYSK, Sportissimo, Pepco, Takko, DM, Deichmann, Starbucks</i>							
5	Esplanada Pantelimon	20, Vergului	2003	44,000	55	2,200	Catinvest
<i>Major tenants: Cora, Mobexpert, Brico Depot, Flanco, Noriel, KFC, McDonald's</i>							

*Registered in Voluntari - Ilfov

Source: C&W Echinox

Anchor Tenants*
34

7



Hypermarket

2



Cash & Carry

1



Cinema

3



DIY

2



Furniture

7



Electro-IT

10



Fashion

2

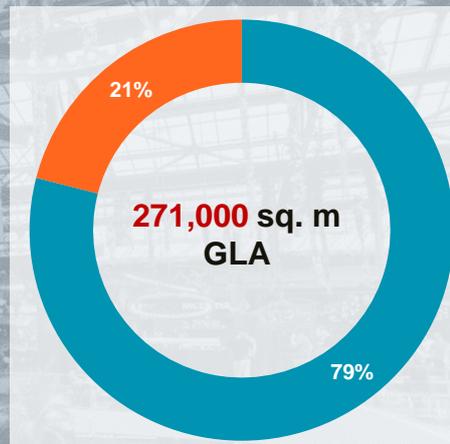


Sports

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3rd DISTRICT

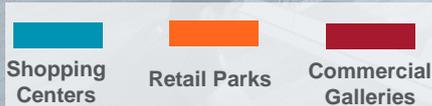
385,439
inhabitants



Retail density:
704
sq. m/1,000 inhabitants

Est. occupancy
95%

Prime Shopping Rent
50 - 60
€/sq. m/month



Modern Retail Developments

	Project	Address	Delivery	GLA (sq. m)	Shops	Parking	Owner
1	ParkLake	4, Liviu Rebreanu	2016	70,000	200	2,500	Sonae Sierra & Caelum
<i>Major tenants: Carrefour, Inditex, H&M, Forever 21, Koton, Reserved, Hervis, Intersport, Media Galaxy, Cinema City</i>							
2	Bucuresti Mall	55-59, Vitan	1999	40,000	115	1,850	Anchor Grup
<i>Major tenants: Inditex, H&M, Mango, LC Waikiki, Mega Image, Media Galaxy, Hollywood Multiplex</i>							
3	Unirea Shopping	1, Unirii Square	1976	47,000	200	940	Unirea Shopping
<i>Major tenants: Inditex, H&M, New Yorker, Koton, LC Waikiki, Mega Image, Altex</i>							
4	Cocor	29-33, IC Bratianu	2010	11,000	40	250	Cocor SA
<i>Major tenants: Billa, Terranova, Yokko, PNK Casual, Liza Panait, Catalin Botezatu</i>							
5	Iris Titan	33A, 1 Decembrie	2006	45,000	100	1,700	NEPI Rockcastle
<i>Major tenants: Auchan, Flanco, C&A, H&M, New Yorker, CCC, DM, Cinegrand</i>							
6	Arcade Pallady	51G, Theodor Pallady	2010	45,000	25	2,000	Arcade, Immochan, KIKA
<i>Major tenants: Auchan, Metro, Jumbo, Kika, JYSK, Decathlon</i>							
7	Kaufland Mihai Bravu	319, Mihai Bravu	2012	13,000	10	500	Intercora
<i>Major tenants: Kaufland, Maxi Pet, Flanco, JYSK, Pepco, Takko, Deichmann, DM, KFC</i>							

Source: C&W Echinox

Anchor Tenants*
41



*The above figures include only the operating retailers within the district at the end of 2017, as analyzed at page number 5

4th DISTRICT

287,828
inhabitants



Retail density:
557
sq. m/1,000 inhabitants

Est. occupancy
98%

Prime Shopping Rent
45 - 55
€/sq. m/month

Modern Retail Developments

	Project	Address	Delivery	GLA (sq. m)	Shops	Parking	Owner
1	Sun Plaza	391, Vacaresti	2010	82,000	140	2,000	S Immo
<i>Major tenants: Cora, Leroy Merlin, Inditex, Forever 21, H&M, C&A, Mango, New Yorker, Humanic, Cinema City</i>							
2	Grand Arena	12-18, Metalurgiei	2009	49,000	60	2,100	Euroinvest Intermed
<i>Major tenants: Carrefour, Decathlon, Altex, Norauto, Pepco, Deichmann, Intersport</i>							
3	Arcade Berceni	67-109, Dealu Bisericii	2008	30,000	20	800	Arcade & Immochan
<i>Major tenants: Auchan, Metro, Jumbo</i>							

Source: C&W Echinox

Anchor Tenants*
24

5



Hypermarket

2



Cash & Carry

1



Cinema

4



DIY

0



Furniture

3



Electro-IT

5



Fashion

4

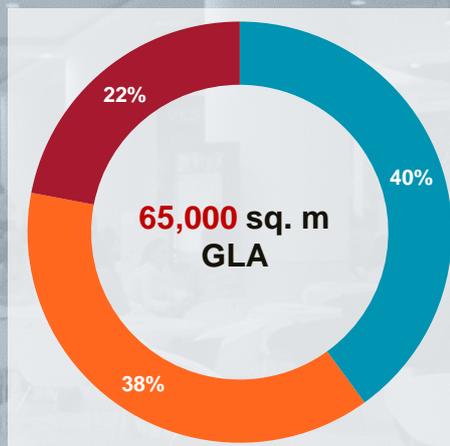


Sports

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5th DISTRICT

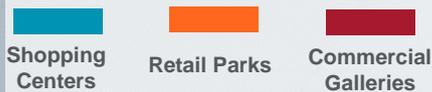
271,575
inhabitants



Retail density:
237
sq. m/1,000 inhabitants

Est. occupancy
91%

Prime Shopping Rent
20 - 30
€/sq. m/month



Modern Retail Developments

	Project	Address	Delivery	GLA (sq. m)	Shops	Parking	Owner
1	Liberty Center	151 – 171, Progresului	2008	26,000	50	600	Rosequeens Properties
<i>Major tenants: Carrefour Market, Altex, Deichmann, CCC, Sephora, Adidas, KFC, McDonald's, Happy Cinema</i>							
2	Vulcan Value Center	88, Mihail Sebastian	2014	25,000	45	1,200	NEPI Rockcastle
<i>Major tenants: Carrefour, H&M, C&A, LC Waikiki, CCC, Deichmann, DM, Altex, Noriel</i>							
3	Cora Alexandriei	152, Alexandriei	2012	14,000	40	980	Cora
<i>Major tenants: Cora, Altex, Casa Rusu, Takko, Kenvelo, DM</i>							

Source: C&W Echinox

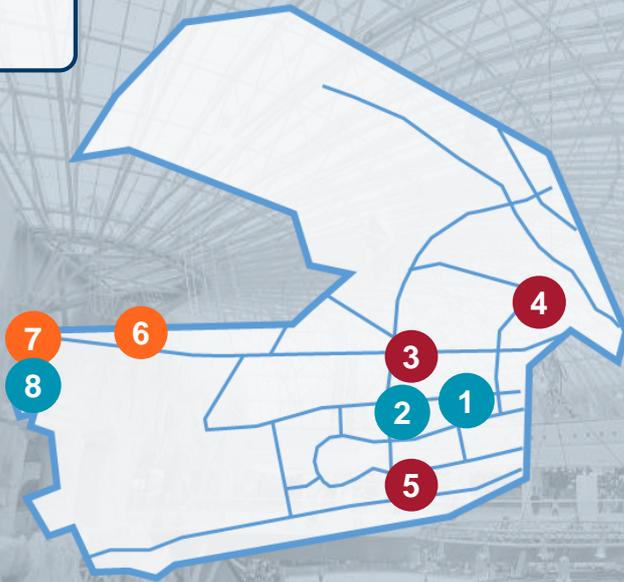
Anchor Tenants*
13



*The above figures include only the operating retailers within the district at the end of 2017, as analyzed at page number 5

6th DISTRICT

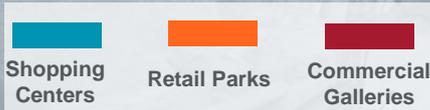
367,760
inhabitants



Retail density:
842
sq. m/1,000 inhabitants

Est. occupancy
98%

Prime Shopping Rent
65 - 75
€/sq. m/month



Modern Retail Developments

	Project	Address	Delivery	GLA (sq. m)	Shops	Parking	Owner
1	AFI Palace Cotroceni	4, Vasile Milea	2009	90,000	300	2,500	AFI Europe
	<i>Major tenants: Auchan, Inditex, H&M, C&A, New Yorker, LC Waikiki, Humanic, Deichmann, Altex, Peek & Cloppenburg, Cinema City</i>						
2	Plaza Romania	26, Timisoara	2004	39,000	105	1,850	Anchor Grup
	<i>Major tenants: Inditex, H&M, Mango, LC Waikiki, Koton, Mega Image, World Class, Movieplex</i>						
3	Cora Lujerului	19, Iuliu Maniu	2005	19,000	75	1,500	Cora
	<i>Major tenants: Cora, Flanco, Takko, KFC, World Class</i>						
4	Carrefour Orhideea	210-210B, Independentei	2003	17,000	60	1,400	Catinvest – Carrefour
	<i>Major tenants: Carrefour, Takko, Noriel, Pepco, Deichmann, Lee Cooper, Tom Tailor, Flanco, McDonald's, Subway, Starbucks</i>						
5	Auchan Dr. Taberei	25, Brasov	2014	28,000	100	1,600	Auchan - Immochan
	<i>Major tenants: Auchan, Flanco, CCC, Pepco, DM, Norauto, KFC, Starbucks</i>						
6	Militari Shopping	546-560, Iuliu Maniu	2009	56,000	65	2,500	Atrium Real Estate
	<i>Major tenants: Auchan, Praktiker, Decathlon, H&M, C&A, New Yorker, Koton, Reserved, LC Waikiki, Humanic, Bebe Militari, Altex, World Class</i>						
7	West Park Fashion House	1, Comertului	2008	50,000	60	2,700	Liebrecht & wood, Hornbach, KIKA
8				11,000			
	<i>Major tenants: Hornbach, Kika, Jumbo, Koton, Adidas, Nike, Puma, Diesel, Gant, Collective, Mango, US Polo</i>						

Source: C&W Echinox

Anchor Tenants*
48

10



Hypermarket

2



Cash & Carry

2



Cinema

5



DIY

2



Furniture

10



Electro-IT

14



Fashion

3



Sports

*The above figures include only the operating retailers within the district at the end of 2017, as analyzed at page number 5

CONCLUSIONS

HEADLINE RENTS IN DOMINANT PROJECTS PER DISTRICT

DISTRICT	DOMINANT PROJECT	HEADLINE RENT (€ / sq. m / month)
1	Baneasa Shopping City	70 - 80
2	Mega Mall	55 - 65
3	Parklake Plaza	50 - 60
4	Sun Plaza	45 - 55
5	Vulcan Value Center	20 - 30
6	AFI Palace Cotroceni	65 - 75

Source: C&W Echinox 2017



BUCHAREST MODERN RETAIL STOCK DENSITY AND OCCUPANCY RATE

DISTRICT	Population	TOTAL GLA (sq. m)	Density (sq. m / 1,000 inhabitants)	Occupancy rate (%)
1	225,453	218,000	967	100%
2	345,370	171,000	495	97%
3	385,439	271,000	704	95%
4	287,828	161,000	557	98%
5	271,575	65,000	237	91%
6	367,760	310,000	842	98%
TOTAL	1,883,425	1,196,000	633	97%

Source: C&W Echinox

BUCHAREST MODERN RETAIL SCHEMES STRUCTURE

DISTRICT	Shopping Centers		Retail Parks		Commercial Galleries		TOTAL GLA (sq. m)
	No of projects	Total GLA (sq. m)	No of projects	Total GLA (sq. m)	No of projects	Total GLA (sq. m)	
1	2	86,000	2	118,000	1	14,000	218,000
2	2	103,000	2	54,000	1	14,000	171,000
3	5	213,000	2	58,000	0	0	271,000
4	2	131,000	1	30,000	0	0	161,000
5	1	26,000	1	25,000	1	14,000	65,000
6	3	140,000	2	106,000	3	64,000	310,000
TOTAL	15	699,000	10	391,000	6	106,000	1,196,000

Source: C&W Echinox

Modern retail stock	Total completed space of modern shopping premises (shopping center, retail park, commercial gallery) completed or fully refurbished since 1999.
New supply	Completed newly built modern retail schemes that obtained a use permit in the given period.
Commercial gallery	Modern retail scheme with minimum 5,000 sq. m of GLA, anchored by a hypermarket with a rentable area that exceeds the total rentable area of the retail scheme
Shopping center	Modern retail scheme with a commercial gallery of minimum 5,000 sq. m GLA that has a rentable area exceeding the hypermarket / supermarket's rentable area
Retail park	Modern retail scheme with over 5,000 sq. m of GLA that comprises mainly medium and large-scale specialist retailers (big boxes)
Prime headline rent	Headline rent level achieved in the most attractive shopping centres for units of approximately 100 sq. m leased to a fashion operator.

Disclaimer

This report should not be relied upon as a basis for entering into transactions without seeking specific, qualified, professional advice. Whilst facts have been rigorously checked, C&W Echinox can take no responsibility for any damage or loss suffered as a result of any inadvertent inaccuracy within this report. Information contained herein should not, in whole or part, be published, reproduced or referred to without prior approval. Any such reproduction should be credited to C&W Echinox.

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