



CUSHMAN &  
WAKEFIELD

Echinox

# RETAIL

REGIONAL CITIES | 2019

# ROMANIA RETAIL MARKET GENERAL OVERVIEW

At the end of 2018, the modern retail stock outside Bucharest reached 2.51 million sq. m. Approximately 58% of the total stock is represented by shopping centers, while retail parks and commercial galleries represent 35% and 7% respectively.

Throughout 2018, almost 104,000 sq. m of retail space was delivered in the Romanian regional cities, with approximately 72% of these deliveries consisting of retail parks.

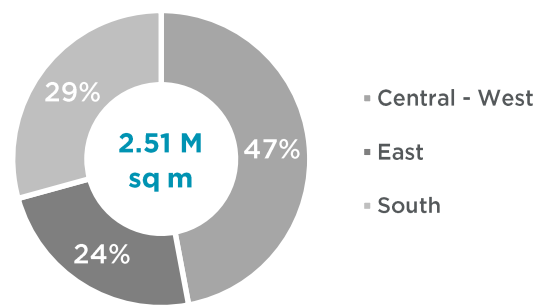
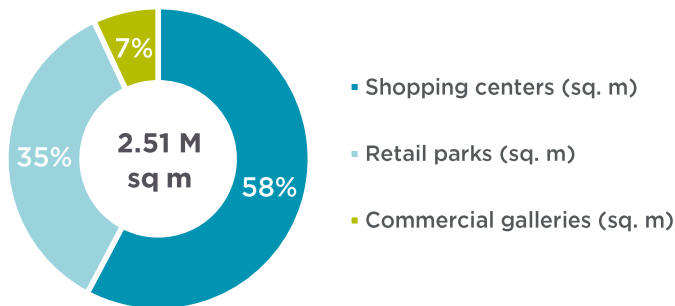
Shopping City Satu Mare, developed by NEPI Rockcastle, is the largest project completed in 2018, with a total GLA of approximately 29,000 sq. m.

The other projects delivered throughout 2018 are retail parks located in secondary and tertiary cities, such as Oradea, Baia Mare, Bistrita, Focsani, Roman and Slobozia. Prime Kapital was the most active developer, with almost 54,000 sq. m delivered in four projects.

During 2019, approximately 117,000 sq. m of retail space is expected to be delivered outside Bucharest in two new projects and five extensions of existing schemes. The most notable deliveries will be NEPI Rockcastle's Festival Centrum in Sibiu (42,000 sq. m), while Iulius Group and Atterbury Europe will complete the extension of Iulius Mall Timisoara, which will reach a total GLA of more than 100,000 sq. m, thus becoming the largest retail project in Romania.

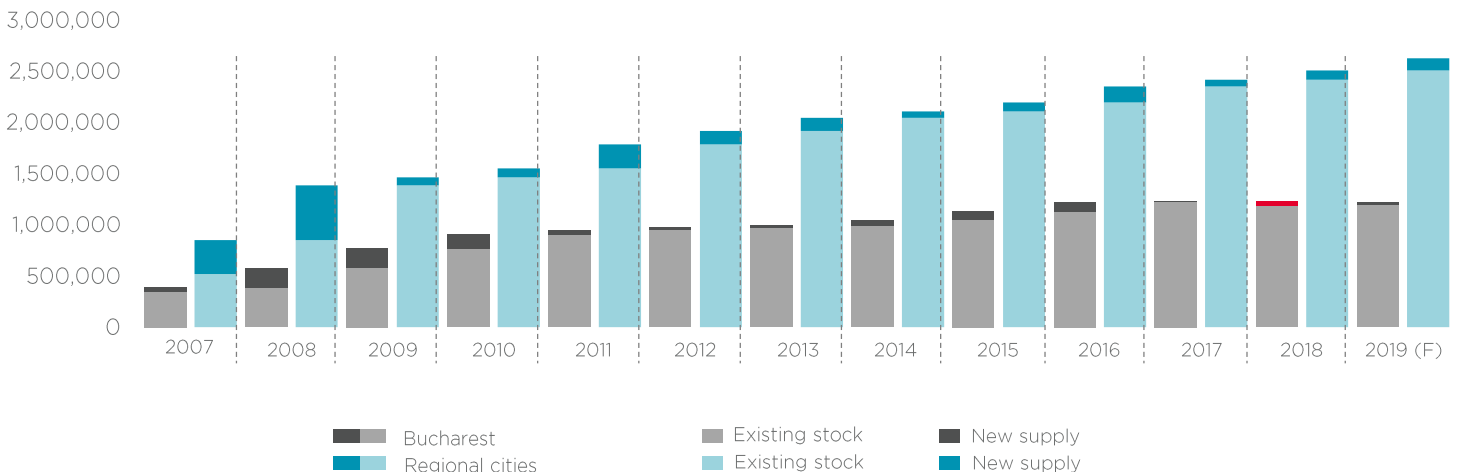
## REGIONAL CITIES - RETAIL STOCK STRUCTURE

## REGIONAL CITIES - RETAIL STOCK DISTRIBUTION



Source: C&W Echinox Research

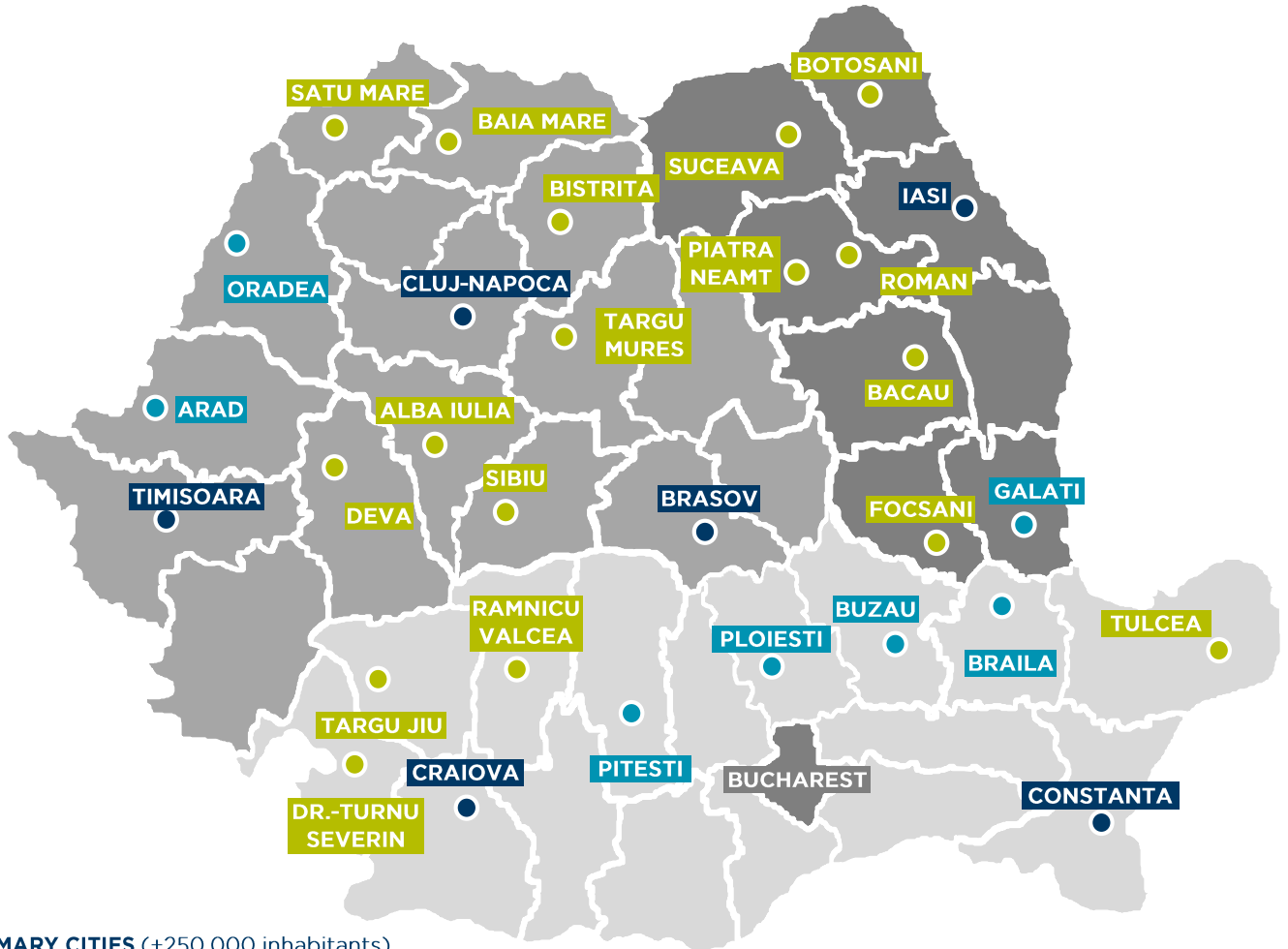
## REGIONAL CITIES - MODERN RETAIL STOCK EVOLUTION (SQ M)



Source: C&W Echinox Research

# ROMANIA RETAIL MARKET KEY HIGHLIGHTS

## ROMANIA - MAP OF REGIONAL CITIES WITH MODERN RETAIL STOCK



- PRIMARY CITIES (+250,000 inhabitants)
- SECONDARY CITIES (150,000 - 250,000)
- TERTIARY CITIES (50,000 - 150,000)

Total modern retail space in the Romanian regional cities was of **2.51 MILLION SQ. M** at the end of 2018

CENTRAL - WEST region has the largest stock - **1.18 mil. sq. m** - and the highest density - 174 sq m/ 1,000 inhabitants

**104,000 SQ. M** of retail space has been delivered throughout 2018

**117,000 SQ. M** of retail space is currently planned to be delivered by the end of 2019

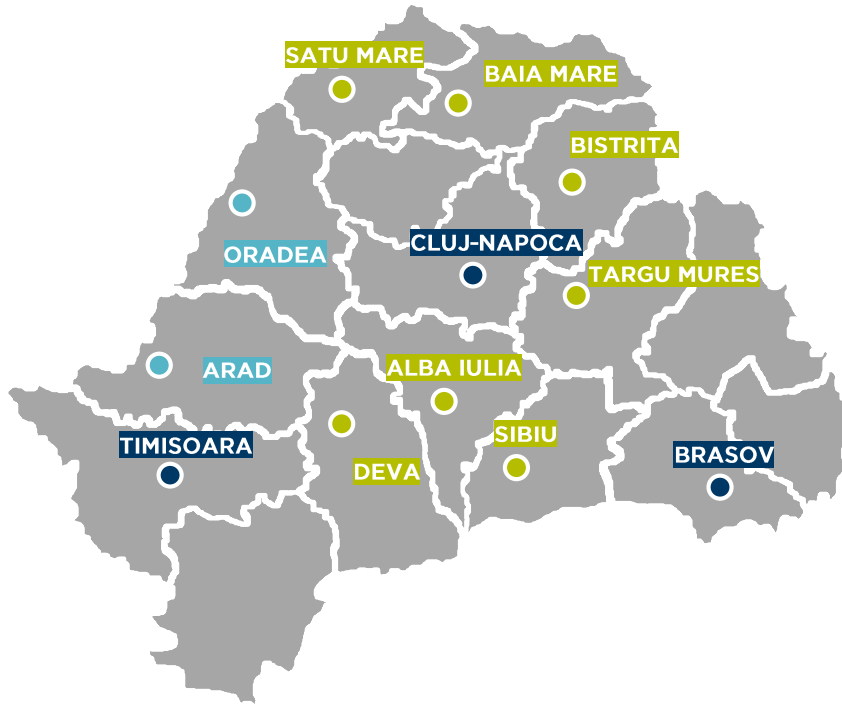
**10 counties** with 3.3 mil. inhabitants are not covered by modern retail schemes; 5 of them have projects in pipeline

**Targoviste** (80,000 inhabitants) is the largest city in Romania without a modern retail scheme



# ROMANIA RETAIL MARKET CENTRAL - WEST REGION

## CENTRAL - WEST REGION: CITIES WITH MODERN RETAIL STOCK



**1.18** mil. sq m  
modern retail stock at the end of 2018

**239,000** sq m  
pipeline for 2019 - 2021

**35 - 40** €/sq m/ month  
prime shopping rent

**94%**  
Average occupancy

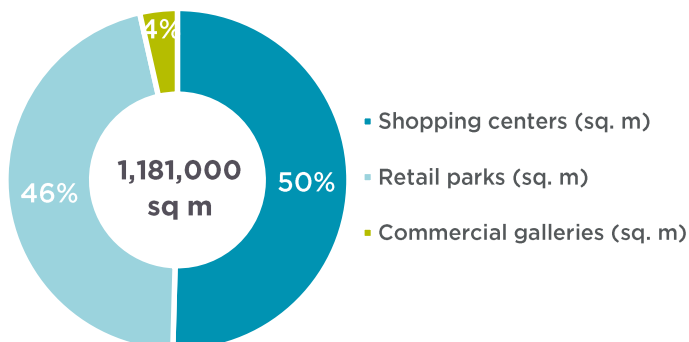
- PRIMARY CITIES** (+250,000 inhabitants)
- SECONDARY CITIES** (150,000 - 250,000)
- TERTIARY CITIES** (50,000 - 150,000)

## GENERAL OVERVIEW

CITY	POPULATION	AVERAGE NET SALARY (€)	UNEMPLOYMENT RATE (%)	MODERN RETAIL STOCK (SQ. M)	RETAIL STOCK DENSITY (SQ. M/1,000 INHABITANTS)
CLUJ-NAPOCA	324,576	655	1.3%	150,000	461
TIMISOARA	319,279	621	0.8%	221,000	692
BRASOV	253,200	562	2.2%	131,000	518
ORADEA	196,367	468	1.5%	199,000	1,014
ARAD	159,074	500	1.4%	90,000	566
SIBIU	147,245	596	1.8%	78,000	531
TARGU MURES	134,290	533	3.0%	86,000	643
BAIA MARE	123,738	464	3.2%	71,000	577
SATU MARE	102,411	467	2.6%	62,000	604
BISTRITA	75,076	451	3.0%	17,000	224
ALBA IULIA	63,536	525	3.4%	14,000	220
DEVA	61,123	468	3.3%	62,000	1,006

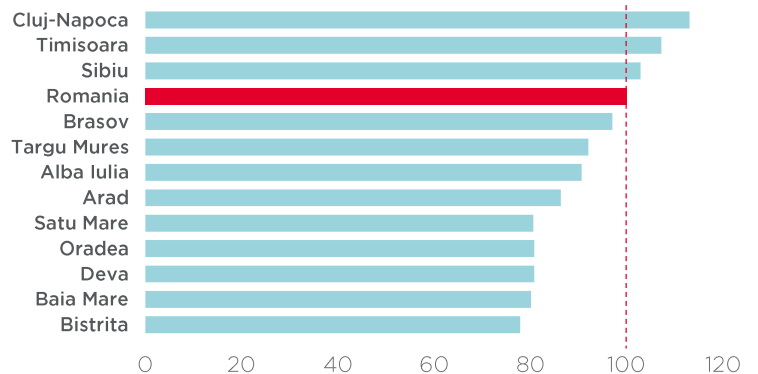
Source: National Institute of Statistics December 2018, \*Census 2011, C&W Echinox

## MODERN RETAIL STOCK STRUCTURE



Source: C&W Echinox

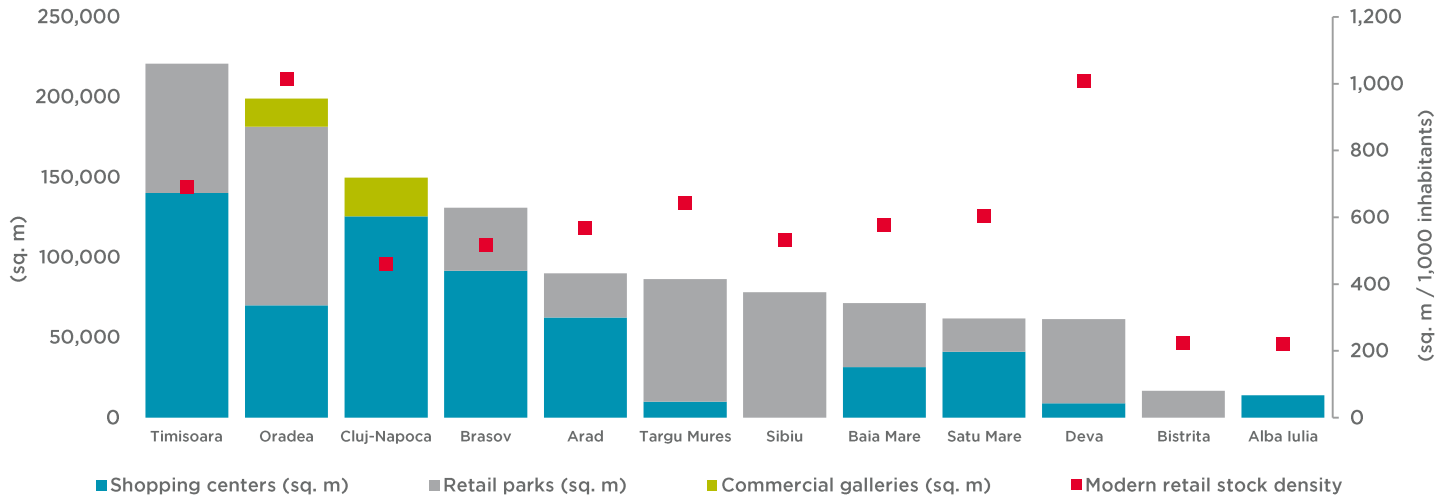
## AVERAGE SALARY INDEX BY COUNTY



Source: C&W Echinox; National Institute of Statistics December 2018

# ROMANIA RETAIL MARKET CENTRAL - WEST REGION

## MODERN RETAIL STOCK STRUCTURE AND DENSITY



Source: C&W Echinox

## MAJOR RETAIL SCHEMES

CITY	PROJECT	OWNER	DELIVERY YEAR	GLA (SQ. M)
CLUJ-NAPOCA	VIVO!Cluj	Immofinanz	2007	61,000
	Iulius Mall	Iulius Group, Atterbury Europe	2007	57,000
TIMISOARA	Iulius Mall	Iulius Group, Atterbury Europe	2005	71,000
	Shopping City Timisoara	NEPI Rockcastle	2016	57,000
BRASOV	Coresi Brasov	Ceetrus	2015	59,000
ARAD	Atrium Mall	MAS RE, Prime Kapital	2010	30,000
ORADEA	Lotus Center	Lotus Center SA	2002	40,000
	ERA Shopping Park	Argo Real Estate	2009	63,000
SATU MARE	Shopping City Satu Mare	NEPI Rockcastle	2018	29,000
BAIA MARE	VIVO!Baia Mare	Immofinanz	2010	32,000
	Baia Mare Value Center	MAS Real Estate	2018	22,000
TARGU MURES	Promenada Mall	AEW Europe	2007	52,000
SIBIU	Shopping City Sibiu	NEPI Rockcastle	2006	78,000
ALBA IULIA	Alba Mall	Mall Alba SRL	2007	14,000
BISTRITA	B1 Retail Park	Mitiska REIM	2017	9,000
	Bistrita Retail Park	Element Development	2018	8,000
DEVA	Shopping City Deva	NEPI Rockcastle	2007	53,000

Source: C&W Echinox

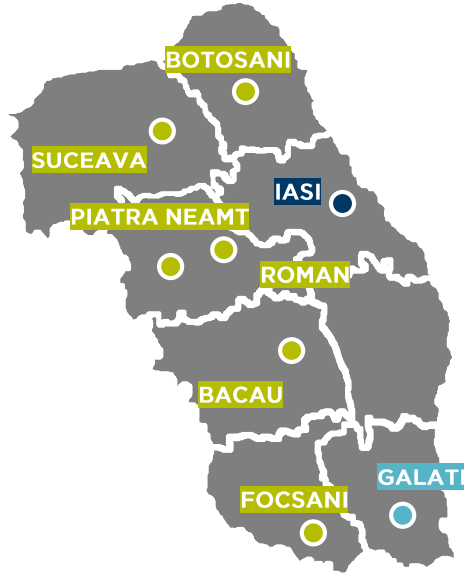
## PIPELINE PROJECTS

CITY	PROJECT	DEVELOPER	DELIVERY YEAR	GLA (SQ. M)
BRASOV	AFI Palace Brasov	AFI Europe	2020	45,000
SIBIU	Festival Centrum	NEPI Rockcastle	2019	42,000
TARGU MURES	Shopping City Targu Mures	NEPI Rockcastle	2020	41,300
ARAD	AFI Arad	AFI Europe	2020	35,000
TIMISOARA	Iulius Mall Extension	Iulius Group, Atterbury Europe	2019	33,000
ZALAU	Zalau Value Center	Prime Kapital, MAS RE	2019	18,000
SFANTU GHEORGHE	Sepsi Value Center	Prime Kapital, MAS RE	2020	14,800
SATU MARE	Auchan Extension	Ceetrus	2019	10,000

Source: C&W Echinox

# ROMANIA RETAIL MARKET EAST REGION

## EAST REGION: CITIES WITH MODERN RETAIL STOCK



**595,000** mil. sq. m  
modern retail stock at the end of 2018

**79,000** sq. m  
pipeline for 2019 - 2021

**35 - 40** €/ sq. m/ month  
prime shopping rent

**96%**  
Average occupancy

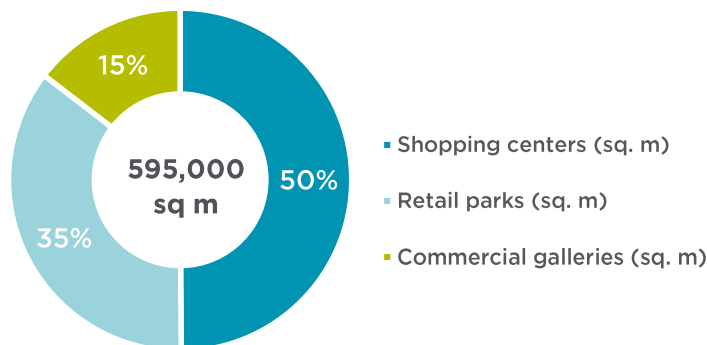
- **PRIMARY CITIES** (+250,000 inhabitants)
- **SECONDARY CITIES** (150,000 - 250,000)
- **TERTIARY CITIES** (50,000 - 150,000)

## GENERAL OVERVIEW

CITY	POPULATION	AVERAGE NET SALARY (€)	UNEMPLOYMENT RATE (%)	MODERN RETAIL STOCK (SQ. M)	RETAIL STOCK DENSITY (SQ. M/1,000 INHABITANTS)
<b>IASI</b>	290,422	568	3.0%	160,034	551
<b>GALATI</b>	249,432	522	6.2%	75,097	301
<b>BACAU</b>	144,307	515	6.0%	83,550	579
<b>BOTOSANI</b>	106,847	447	3.1%	49,050	459
<b>SUCEAVA</b>	92,121	442	5.2%	107,460	1,167
<b>PIATRA NEAMT</b>	85,055	445	4.6%	46,263	544
<b>FOCSANI</b>	79,315	457	4.0%	54,000	681
<b>ROMAN</b>	50,713	445	4.6%	19,100	377

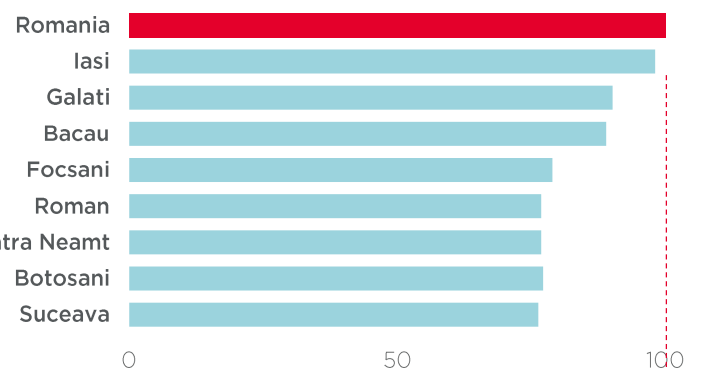
Source: National Institute of Statistics December 2018, \*Census 2011, C&W Echinox

## MODERN RETAIL STOCK STRUCTURE



Source: C&W Echinox

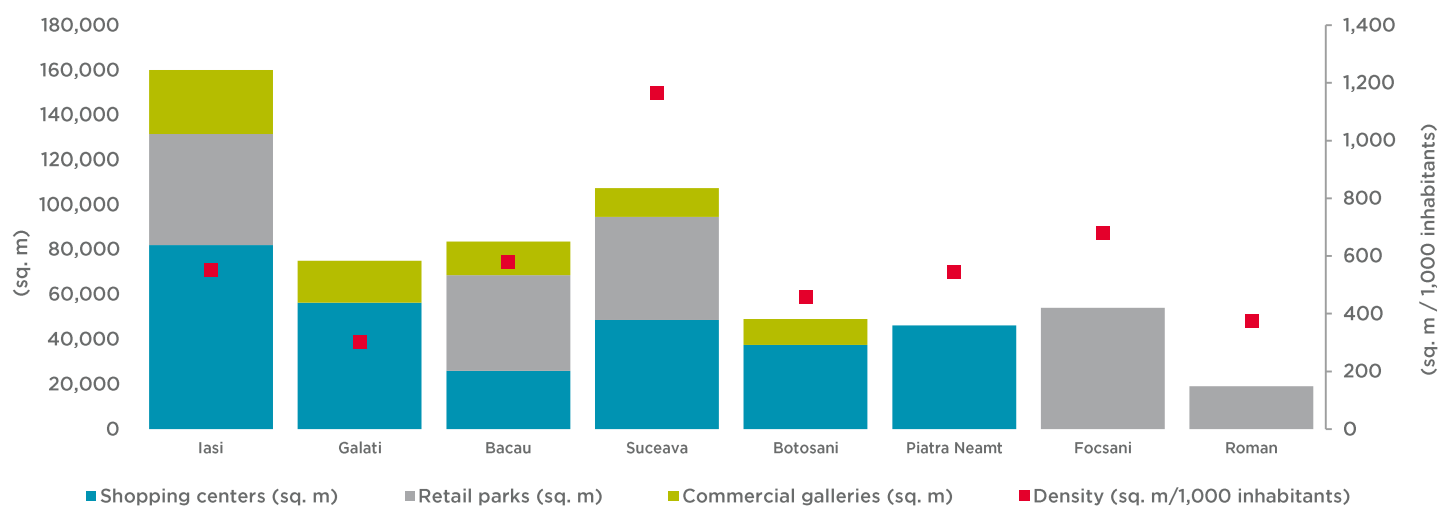
## AVERAGE SALARY INDEX BY COUNTY



Source: C&W Echinox; National Institute of Statistics December 2018

# ROMANIA RETAIL MARKET EAST REGION

## MODERN RETAIL STOCK STRUCTURE AND DENSITY



Source: C&W Echinox

## MAJOR RETAIL SCHEMES

CITY	PROJECT	OWNER	DELIVERY YEAR	GLA (SQ. M)
IASI	Palas Iasi	Iulius Group	2012	57,000
	Iulius Mall	Iulius Group, Attebury Europe	2000	25,000
GALATI	Shopping City Galati	NEPI Rockcastle	2013/2017	49,000
BACAU	Arena Mall	Arena City Center	2007	26,000
BOTOSANI	Botosani Shopping Center	BelRom	2011	22,000
	Uvertura Mall	Moldova Universal	2013	16,000
SUCEAVA	Iulius Mall	Iulius Group, Attebury Europe	2008	49,000
	Suceava Shopping City	ARGO Real Estate	2008	46,000
PIATRA NEAMT	Shopping City Piatra Neamt	NEPI Rockcastle	2016	28,000
FOCSANI	Focsani Mall	KBC Bank	2008	48,000
ROMAN	Roman Value Center	MAS Real Estate	2018	19,000

Source: C&W Echinox

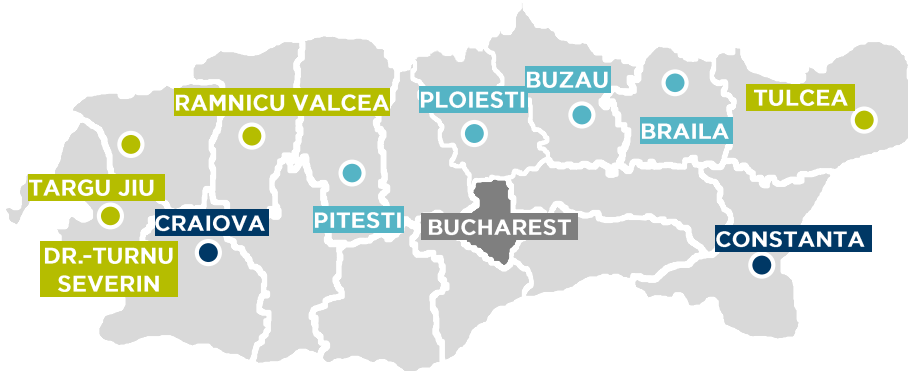
## PIPELINE PROJECTS

CITY	PROJECT	DEVELOPER	DELIVERY YEAR	GLA (SQ. M)
IASI	Mall Moldova	Prime Kapital, MAS RE	2020	50,000
BACAU	Arena Mall	Arena City Center	2021	29,000

Source: C&W Echinox

# ROMANIA RETAIL MARKET SOUTH REGION

## SOUTH REGION: CITIES WITH MODERN RETAIL STOCK



**735,000** sq. m  
modern retail stock at the end of 2018

**149,000** sq. m  
pipeline for 2019 - 2021

**40 - 45** €/sq. m/ month  
prime shopping rent

**96%**  
Average occupancy rent

- **PRIMARY CITIES** (+250,000 inhabitants)
- **SECONDARY CITIES** (150,000 - 250,000)
- **TERTIARY CITIES** (50,000 - 150,000)

## GENERAL OVERVIEW

CITY	POPULATION	AVERAGE NET SALARY (€)	UNEMPLOYMENT RATE (%)	MODERN RETAIL STOCK (SQ. M)	RETAIL STOCK DENSITY (SQ. M/1,000 INHABITANTS)
CONSTANTA	283,872	503	2.7%	194,000	683
CRAIOVA	269,506	519	7.4%	102,500	380
PLOIESTI	209,945	529	2.6%	96,153	458
BRAILA	180,302	464	3.9%	62,645	347
PITESTI	155,383	533	3.2%	130,399	839
BUZAU	115,494	465	7.2%	46,266	401
RAMNICU VALCEA	98,776	461	3.1%	48,300	489
DROBETA-TURNU SEVERIN	92,617	504	7.7%	22,600	244
TARGU JIU	82,504	527	4.4%	27,100	328
TULCEA	73,707	467	3.6%	5,129	70

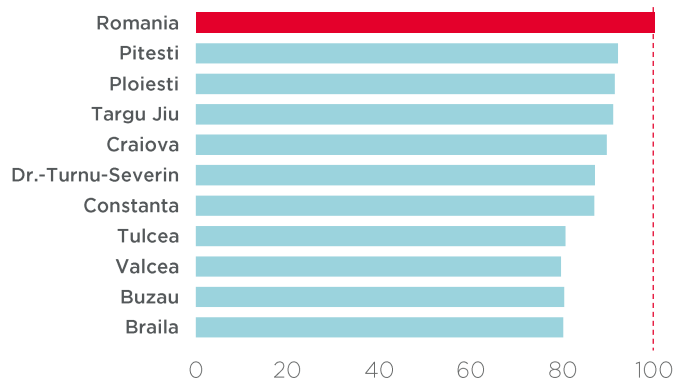
Source: National Institute of Statistics December 2018, \*Census 2011, C&W Echinox

## MODERN RETAIL STOCK STRUCTURE



Source: C&W Echinox

## AVERAGE SALARY INDEX BY COUNTY

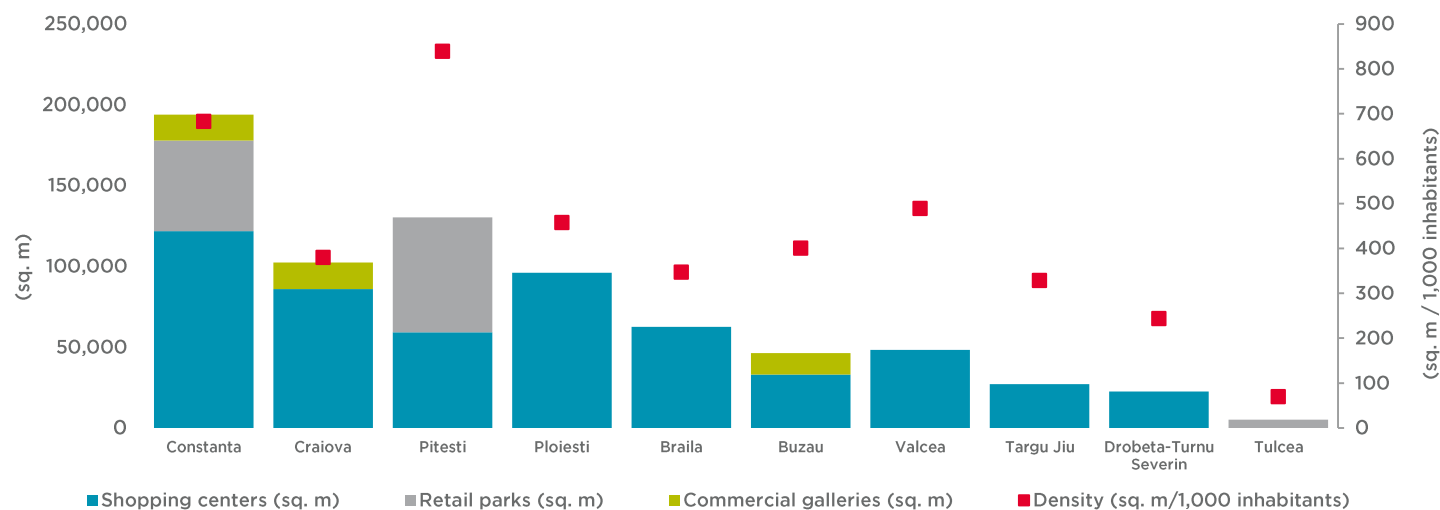


Source: C&W Echinox; National Institute of Statistics December 2018



# ROMANIA RETAIL MARKET SOUTH REGION

## MODERN RETAIL STOCK STRUCTURE AND DENSITY



Source: C&W Echinox

## MAJOR RETAIL SCHEMES

CITY	PROJECT	OWNER	DELIVERY YEAR	GLA (SQ. M)
CONSTANTA	City Park	NEPI Rockcastle	2008	52,000
	VIVO!Constanta	Immofinanz, Auchan	2011	51,000
CRAIOVA	Electroputere Parc	Catinvest, Auchan	2011	71,000
	Jupiter City	Jupiter Group	2008	44,000
PITESTI	Pitesti Retail Park	NEPI Rockcastle, Auchan	2007	41,000
	VIVO!Pitesti	Immofinanz	2007	18,000
PLOIESTI	Ploiesti Shopping City	NEPI Rockcastle, Carrefour Property	2012	46,000
	AFI Palace Ploiesti	AFI Europe	2013	33,000
BRAILA	Braila Mall	NEPI Rockcastle	2008	55,000
BUZAU	Aurora Shopping Mall	NEPI Rockcastle	2008	18,000
RAMNICU VALCEA	Shopping City Ramnicu Valcea	NEPI Rockcastle	2017	28,000
	River Plaza Mall	Sonae Sierra	2006	12,000
TARGU JIU	Shopping City Targu Jiu	NEPI Rockcastle	2014	27,000
DROBETA TURNU-SEVERIN	Severin Shopping Center	NEPI Rockcastle	2010	23,000
TULCEA	Tulcea Retail Park	Mitiska REIM	2016	5,000

Source: C&W Echinox

## PIPELINE PROJECTS

CITY	PROJECT	DEVELOPER	DELIVERY YEAR	GLA (SQ. M)
PITESTI	Arges Mall	Prime Kapital, MAS RE	2021	55,000
PLOIESTI	Prahova Mall	Prime Kapital, MAS RE	2021	54,000
TARGOVISTE	Dambovita Mall	Prime Kapital, MAS RE	2020	34,000
BUZAU	Aurora Mall Extension	NEPI Rockcastle	2020	6,000

Source: C&W Echinox

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

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