

	YoY Chg	12-Mo. Forecast
<b>6.1%</b> Bucharest Vacancy Rate	▼	▬
<b>€4.0</b> Prime Rent, PSQM	▼	▬
<b>8.25%</b> Prime Yield	▼	▼

### ECONOMIC INDICATORS Q3 2020

<b>-5.5%</b> GDP (est.)	▼	▲
<b>4.2%</b> Unemployment Rate	▲	▼
<b>5.5%</b> Industrial Production	▼	▲
<b>1.6%</b> Private Consumption	▼	▲

### Logistics demand hits new records

The demand for Logistics space reached a new quarterly record in Q3 2020, with a total leasing activity of almost 285,000 sq. m, up 42% when compared to Q2 2020 and four-times higher compared to the same period last year. The transactional volume for the first nine months (January – September) reached 581,000 sq. m, reflecting a 94% y-o-y growth. Renewals represent only 12.2% out of the total volume in Q3 2020 and 12.7% of the transactions recorded in Q1-Q3 2020, an evidence that the activity was mainly driven by new demand. The most significant deal was signed by Maersk and IB Cargo, as the two logistics providers partnered for the operation of a 75,000 sq. m regional distribution center for IKEA within a new facility to be completed within CTPark Bucharest West. Moreover, Bucharest attracted almost 90% of the total take-up in Q3 2020, as the Capital city is becoming the preferred location for developing regional hubs by several retailers, another example being represented by the fashion group LPP, which decided to double the size of their logistics center within WDP Park Stefanesti, by signing a 22,000 sq. m extension.

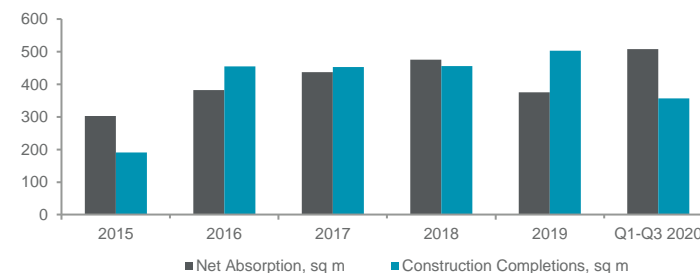
### Developers regain confidence

During Q3 2020, developers delivered new spaces of 155,000 sq. m on the market, thus lifting the Q1-Q3 2020 new supply at 356,000 sq. m. The most significant new developments were represented by Profi's 57,000 sq. m distribution center from CTPark Bucharest West, as well as the first units of the Constanta Business Park and Chitila Logistic Hub projects built by Global Vision and Globalworth. The vacancy rate decreased in Bucharest, reaching 6.1%, while the national level is of approximately 4.75%.

### Positive perspectives

The pipeline for Q4 2020 remains solid, the new supply being estimated at around 220,000 sq. m. consisting mainly of built-to-suit or largely pre-leased projects. Despite the fact that, on the short term, global and local economies are shrinking, Romania has very positive medium and long term perspectives due to the European Union's recovery plan, an agreement which allocated almost €80 billion for economic recovery and infrastructure development in Romania, whilst the Via Carpatia and Rail2Sea projects recently received US support in terms of financing and executing these major connections between the Black, Baltic and Adriatic Seas.

### SPACE DEMAND / DELIVERIES



### BUCHAREST OVERALL VACANCY & PRIME RENT



Source: Oxford Economics, National Institute of Statistics



## MARKET STATISTICS

SUBMARKET	STOCK (SQM)	AVAILABILITY (SQ. M)	VACANCY RATE	CURRENT QTR TAKE-UP (SQ. M)	YTD TAKE-UP (SQM)	YTD COMPLETIONS (SQ. M)	UNDER CNSTR (SQ. M)	PRIME RENT (€/SQ. M/MONTH)
Bucharest	2,150,200	130,600	6.1%	252,800	379,520	268,700	151,500	4.00
Timisoara	503,100	14,600	2.9%	3,100	73,250	-	47,200	3.75
Ploiesti	370,000	2,800	0.8%	-	13,000	-	11,000	3.75
Cluj	308,400	6,000	2.5%	11,400	16,900	16,500	26,300	4.00
Pitesti	233,900	0	0%	-	-	-	-	3.75
Brasov	218,500	2,500	1.1%	-	-	-	-	3.75
Other Cities	497,700	46,300	9.3%	15,100	98,640	61,900	66,000	3.75
<b>ROMANIA</b>	<b>4,271,800</b>	<b>202,800</b>	<b>4.75%</b>	<b>284,400</b>	<b>581,310</b>	<b>347,100</b>	<b>302,000</b>	<b>4.00</b>

## KEY LEASE TRANSACTIONS Q3 2020

PROPERTY	SUBMARKET	TENANT	SIZE (SQ. M)	TYPE
CTPark Bucharest West	Bucharest	Maersk – IB Cargo	75,000	Pre-lease
P3 Bucharest A1	Bucharest	Interbrands	24,800	Extension
WDP Park Stefanesti	Bucharest	LPP	21,800	Pre-lease / extension
P3 Bucharest A1	Bucharest	SLS Cargo	15,500	New lease

## KEY CONSTRUCTION COMPLETIONS Q3 2020

PROPERTY	SUBMARKET	MAJOR TENANT	SIZE (SQ. M)	OWNER/DEVELOPER
CTPark Bucharest West	Bucharest	Profi	57,000	CTP
WDP Park Slatina	Slatina	Pirelli	31,000	WDP
Constanta Business Park	Constanta	PepsiCo	20,400	Global Vision - Globalworth

## PIPELINE PROJECTS 2020

PROPERTY	SUBMARKET	MAJOR TENANT	SIZE (SQ. M)	OWNER/DEVELOPER
CTPark Bucharest West	Bucharest	Maersk – IB Cargo	100,000	CTP
WDP Park Buzau	Buzau	Ursus	21,000	WDP
CTPark Bucharest North	Bucharest	DSV	20,000	CTP

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