

14.9%
Vacancy Rate



€18.50
Prime Rent, PSQM



6.50%
Prime Yield



ECONOMIC INDICATORS Q4 2021

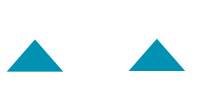
1.0M
Bucharest Employment



1.2%
Bucharest Unemployment Rate



€932
Net Average Salary In Bucharest



Source: National Institute of Statistics

Two new buildings delivered in Q4

In Q4 2021, there have been two new office buildings delivered in Bucharest, namely the first phase of the One Cotroceni Park mixed-use project (46,000 sq. m GLA) and Miro Offices (22,900 sq. m GLA), thus bringing the total new supply in 2021 at 244,300 sq. m, corresponding to an increase of 57% when compared with 2020. Therefore, the office stock in Bucharest reached 3.19 million sq. m (excluding owner-occupier buildings), as the vacancy rate has slightly increased to 14.9%. However, there is still a wide gap pertaining to A and B class office buildings, with vacancy rates of 12.5% and 23% for A and B-class offices respectively.

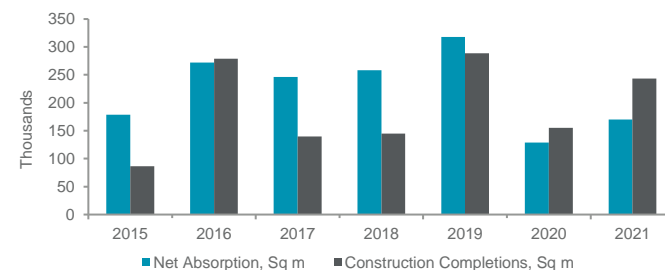
Consistent demand during the year

A total leasing activity of 85,400 sq. m has been recorded in Q4 2021, thus bringing the total demand for 2021 to 298,300 sq. m, up 26% compared with 2020. Net take-up (excluding renewals) had an yearly share of 57%, a higher level than in the previous year (54%). The most active tenants in 2021 came from the T&T (31% market share of the total take-up), Medical & Pharma (14%) and Manufacturing / Industrial (7%). Taking into account the existing pipeline and the absorption potential of the currently available office spaces, there is a strong indication that yearly take-up volumes in excess of 300,000 sq. m will be the norm during the next 4-5 years.

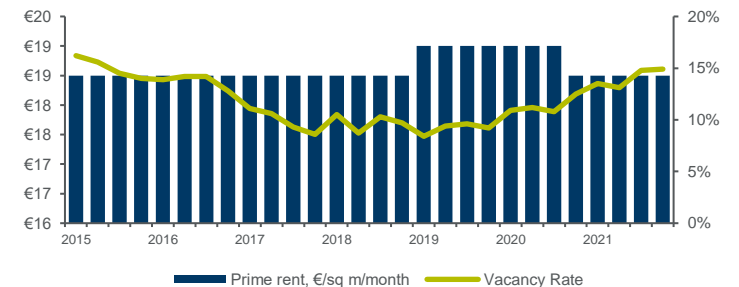
Slightly reduced pipeline for 2022 - 2023

New office buildings totaling around 224,000 sq. m are currently under construction and are expected to be delivered in 2022 and 2023, a slightly reduced pipeline when compared with the 2020 – 2021 period. @Expo by Atenor, One Cotroceni Park II, Sema Parc, AFI Tech Park II or Equilibrium II are some of the most important deliveries announced for the following two years. In regards to the prime headline rents in Bucharest, they remained stable in Q4, ranging between €18.00-18.50/ sq. m/month in the CBD area, while values of €17.50-18.00/ sq. m/month are recorded in the Center and Floreasca - Barbu Vacarescu submarkets, as a small increase for the CBD area is expected by the end of 2022.

SPACE DEMAND / DELIVERIES



BUCHAREST VACANCY & ASKING RENT





MARKET STATISTICS

SUBMARKET	STOCK (SQ M)	AVAILABILITY (SQ M)	VACANCY RATE	CURRENT QTR TAKE-UP (SQ M)	2021 TAKE-UP (SQ M)	YTD COMPLETIONS (SQ M)	UNDER CNSTR (SQ M)	PRIME RENT (MONTH)
CBD	360,500	38,400	10.7%	16,163	48,127	31,500	-	€18.50
Center	384,500	40,000	10.4%	12,798	28,613	41,700	56,300	€18.00
Floreasca – Barbu Vacarescu	569,700	60,000	10.5%	20,585	53,426	28,400	19,900	€17.50
Expozitiei	268,800	57,600	21.4%	11,237	42,236	46,000	56,000	€17.50
Center - West	523,100	72,500	13.9%	8,762	35,044	65,800	91,500	€15.00
North	182,700	44,000	24.1%	2,879	14,637	22,900	-	€15.00
Dimitrie Pompeiu	440,700	44,700	10.1%	592	42,542	-	-	€13.00
Pipera North	210,500	84,200	40.0%	10,318	17,733	-	-	€11.00
West	165,900	11,500	7.0%	600	12,212	8,000	-	€12.00
East	51,100	17,700	34.6%	1,422	3,560	-	-	€12.00
South	41,800	6,300	15.1%	-	162	-	-	€12.00
Bucharest (overall)	3,199,300	476,900	14.9%	85,356	298,292	244,300	223,700	€18.50

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q4 2021

PROPERTY	SUBMARKET	TENANT	RSQM	TYPE
Global City	Pipera North	Michelin	7,800	Renewal
Matei Millo Offices	Center	Estee Lauder	5,400	New lease
Premium Plaza	CBD	Webhelp	4,800	Renewal + Expansion
Riverview	Center - West	PTC	4,800	Renewal + Expansion

KEY SALES TRANSACTIONS Q4 2021

PROPERTY	SUBMARKET	SELLER / BUYER	SQM	PRICE
Dacia One	CBD	Atenor Group/ Dedeman	15,000	€50M

KEY CONSTRUCTION COMPLETIONS Q4 2021

PROPERTY	SUBMARKET	PROJECT SIZE (SQM)	OWNER / DEVELOPER
One Cotroceni Park I	Center - West	46,000	One United
Miro Offices	North	22,900	Speedwell

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