

YoY Chg      12-Mo. Forecast

**7.25%**  
Prime Office Yield



**€488 mn**  
Total Volume (EUR)



**53**  
Properties sold



**€9mn**  
Avg. price per property



### ECONOMIC INDICATORS H2 2023

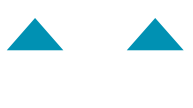
**7.00%**  
Monetary policy rate



**1.7%**  
GDP growth in Q4 2023



**€959**  
Net average salary  
November 2023



Source: Moody's Analytics

### Single – digit inflation and slow, but steady economic growth

The inflation rate in Romania continued to decrease and reached single digits in Q3 and Q4 2023 (9.1% and 7.1% respectively), a trend expected to continue in 2024 when levels below 5% are forecasted by year end. The monetary policy rate has remained at 7% for more than a year already, with the National Bank of Romania indicating possible downward movements in H1 2024. The Q3 and Q4 economic growth has been relatively robust (2.8% and 1.7%), especially when compared with most European Union countries, which reported lower or even negative numbers, in very difficult macroeconomic and geopolitical conditions. Moreover, a strong GDP growth ranging between 3 and 3.5% has also been predicted for 2024, an impressive forecast for a year when 4 rounds of elections are due to take place in the country.

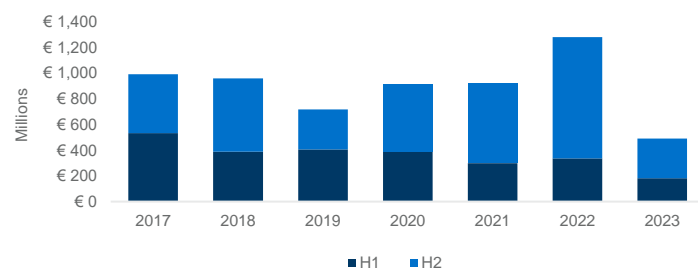
### Record low transactional volume in 2023

A real estate investment volume of only €488 million was recorded in Romania in 2023, corresponding to a decrease of 62% compared with 2022. The increasing financing costs and the investors' reluctance towards the office sector, which had been the preferred asset class during the previous 5 years, have significantly impacted the investment activity. Retail (59% volume share) was the most active segment in 2023, followed by Office (19%), Industrial (17%) and Hospitality (5%). The largest transaction concluded in 2023 was Mitiska REIM's disposal of its retail park portfolio in Romania (133,600 sq. m GLA) to the M Core British investment group for €219 million, a landmark transaction which was a record for the retail sector in the past 10 years. Other relevant deals were related to FM Logistic's sale and leaseback of its Romanian portfolio (98,000 sq. m GLA) to CTP for around €60 million or the disposal of One Herastrau Office for €21 million.

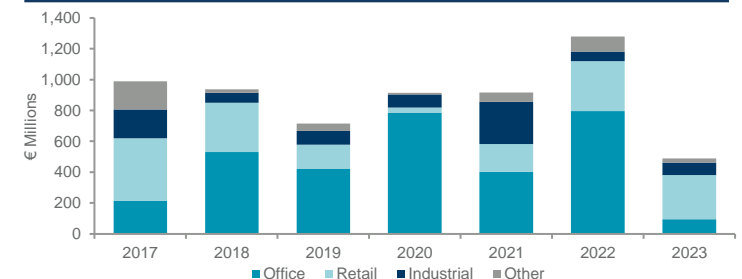
### Yield decompression throughout 2023

The prime yields have seen upward movements across all segments, in line with the trends registered in Europe, as the office and retail ones each recorded 50 bp annual spikes, with a lower 25 bp rise for industrial & logistics assets. Even though the high interest rates continue to put a significant pressure on exit yields, Romania remains an attractive market, as the spread between the local references and the other CEE countries, such as the Czech Republic, Poland or Hungary is relatively high on all market segments (generally in the 100 – 200 basis points' range).

### INVESTMENT SALES VOLUME



### INVESTMENT SALES VOLUME BY SECTOR



# MARKETBEAT ROMANIA

## Investment H2 2023



### INVESTMENT ACTIVITY

PROPERTY TYPE	PROPERTIES SOLD	SALES VOLUME (MIL. €)	AVERAGE PRICE / PROPERTY (MIL. €)
Retail	31	286.3	9.2
Office	11	94	8.5
Industrial	7	81.2	11.6
Hospitality	4	26.9	6.7
<b>TOTAL</b>	<b>53</b>	<b>488.4</b>	<b>9.2</b>

#### VLAD SAFTOIU

Head of Research

+40 21 310 3100 /

vlad.saftoiu@cwechinox.com

#### CRISTINA LUPASCU

Director PR & Research

+40 21 310 3100 /

cristina.lupascu@cwechinox.com

[cwechinox.com](https://www.cwechinox.com)

[cushmanwakefield.com](https://www.cushmanwakefield.com)

### MAJOR TRANSACTIONS 2023

PROPERTY NAME	TYPE	BUYER	VENDOR	SIZE (SQ. M)	PRICE (MIL. €)	CITY
Mitiska REIM portfolio (25 retail parks)	Retail	M Core	Mitiska REIM	133,600	219	Multicity
FM Logistic Portfolio	Industrial	CTP	FM Logistic	98,000	60	Bucharest, Timisoara, Petresti (Dambovita)
One Herastrau Office	Office	Vincit Union	One United Properties	8,000	21	Bucharest
Olympia Tower	Office	Yellow Tree	Bluehouse Capital	9,600	15	Bucharest
50% of Family Market Bucium and Family Market Miroslava	Retail	W&E Assets	Iulius Group	6,000*	15	Iasi

\*The area pertains to the % transacted

### PRIME YIELD TREND



### PRIME YIELDS IN CEE AT THE END OF H2 2023 (%)

CITY	OFFICE	RETAIL (SC)	INDUSTRIAL
BUCHAREST	7.25	7.25	7.40
WARSAW	5.75	6.45	6.25
PRAGUE	5.50	6.00	5.25
BRATISLAVA	6.25	6.50	6.25
BUDAPEST	6.00	7.00	6.75

Independently Owned and Operated / A Member of the Cushman & Wakefield Alliance

©2024 All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable. The information may contain errors or omissions and is presented without any warranty or representations as to its accuracy.