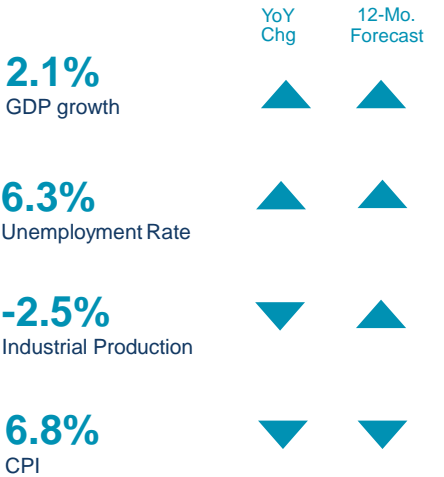


### ECONOMIC INDICATORS Q2 2024



Source: Moody's Analytics

### ECONOMY: Inflation is coming down and the economy is highly resilient

Inflation has been contracting in Romania for more than 6 months, reaching an average level of 6.8% in Q2 2024. Forecasts are positive for the rest of the year, with expectations that it will fall below 5% in Q4. The National Bank of Romania has reacted by decreasing the monetary policy rate in June by 25 bp to 6.75%, the first such movement in 18 months, thus following the example set by the European Central Bank a few weeks beforehand. Moreover, the economy was highly resilient in H1, with GDP growth rates of 1.8% and 2.1% being recorded in Q1 and Q2 respectively. An overall annual growth of 2.7% is anticipated for 2024, a notable evolution given the still volatile macroeconomic and geopolitical context.

### SUPPLY & DEMAND: Modest new supply, consistent pipeline for the rest of the year

The total modern stock reached almost 7.13 million sq. m at the end of Q2, as developers completed new projects with a total leasable area of ~104,000 sq. m across the country in H1 2024, among which 60,000 sq. m were delivered in Q2. The total development activity in H1 2024 slowed down when compared with H1 2023, when it accounted for 202,000 sq. m, while the estimated new supply for the next 18 months is at around 571,000 sq. m. The overall vacancy rate slightly decreased at a level of 4.8%, while a further drop is expected by the end of the year, as a result of the limited developments on a speculative basis. The most significant deliveries were represented by the first phase of CTPark Arad West (22,600 sq. m) and also by 13,000 sq. m completed by Alinso in Ploiesti.

In terms demand, the Q2 leasing volume was of around 203,600 sq. m, up from the 196,900 sq. m recorded in Q1. The leasing activity for the first half of the year accounted for 410,500 sq. m, representing a 25% drop when compared with H1 2023, as new demand had a share of 52% in the overall leasing volume in H1. The largest transaction closed in Q2 2024 was related to a 20,900 sq. m pre - lease by VAT within VGP Park Arad, followed by a 20,000 sq. m pre - lease by Deichmann in ELI Park 3 Bucharest.

### PRICING: Stable rents

The prime headline rents in Bucharest and in the main industrial & logistics destinations in Romania remained flat at levels ranging between €4.30 - €4.70/ sq. m/ month in Q2 2024. No significant changes are expected in the coming period concerning the rental levels for existing projects, especially those which have a higher degree of vacancy, while an upward trend is predicted for the new developments due to the surging construction costs and land acquisition prices.

### SPACE DEMAND / DELIVERIES (SQM)



### OVERALL VACANCY & PRIME RENT



# MARKETBEAT ROMANIA

## Industrial Q2 2024



### 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	3,509,100	193,200	5.5%	89,500	187,300	25,900	109,800	4.70
Timisoara	742,300	60,600	8.2%	46,200	58,600	-	66,500	4.30
Ploiesti	449,200	4,500	1.0%	7,300	26,300	13,000	109,800	4.30
Cluj - Napoca	420,100	18,100	4.3%	-	-	-	17,000	4.65
Brasov	397,000	8,800	2.2%	5,700	11,700	5,000	78,000	4.30
Pitesti	288,400	0	0%	-	-	-	-	4.30
Sibiu	178,600	12,000	6.7%	4,800	12,100	17,800	-	4.30
Other Cities	1,140,900	44,400	3.9%	60,100	114,500	42,100	190,400	4.25
<b>ROMANIA</b>	<b>7,125,600</b>	<b>341,600</b>	<b>4.8%</b>	<b>213,600</b>	<b>410,500</b>	<b>103,800</b>	<b>571,500</b>	<b>4.70</b>

### KEY LEASE TRANSACTIONS Q2 2024

PROPERTY	SUBMARKET	TENANT	SIZE (SQ. M)	TYPE
VGP Park Arad	Arad	VAT	20,900	Pre - lease
ELI Park 3	Bucharest	Deichmann	20,000	Pre - lease
CTPark Oradea Cargo Terminal	Oradea	HelpShip	9,700	Expansion

### KEY CONSTRUCTION COMPLETIONS Q2 2024

PROPERTY	SUBMARKET	SIZE (SQ. M)	OWNER/DEVELOPER
CTPark Arad West	Arad	22,600	CTP
PWP Bucharest North	Ploiesti	13,000	Alinso

### PIPELINE PROJECTS 2024

PROPERTY	SUBMARKET	MAJOR TENANT	SIZE (SQ. M)	OWNER/DEVELOPER
CTPark Ploiesti	Ploiesti	H&M	80,000	CTP
VGP Park Brasov	Brasov	Intercars	60,000	VGP
Logicor Pallady	Bucharest	-	41,500	Logicor

**VLAD SAFTOIU** *Head of Research*  
+40 21 310 3100 / vlad.saftoiu@cwechinox.com

**CRISTINA LUPASCU** *Head of Marketing*  
+40 21 310 3100 / cristina.lupascu@cwechinox.com

**cwechinox.com**  
**cushmanwakefield.com**

*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, including reports commissioned by Cushman & Wakefield ("CWK"). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK's securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK's affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.