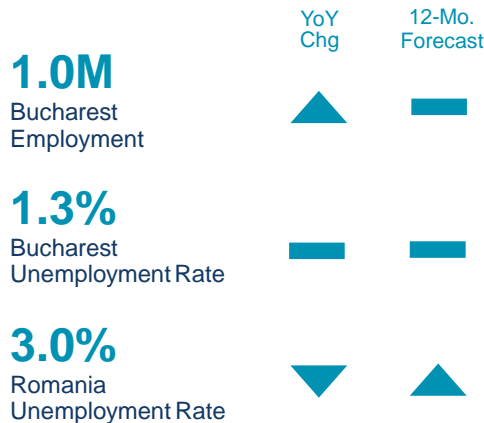


**ECONOMIC INDICATORS Q1 2020**



Source: National Institute of Statistics

**Solid start of the year in terms of deliveries**

In Q1 2020, new deliveries totaling almost 81,000 sq. m have been completed, a level almost similar to the same period last year. The most representative deliveries were Ana Tower (35,500 sq. m), the new headquarters of PricewaterhouseCoopers, and the third and last building of the Globalworth Campus project (34,800 sq. m) from Pipera sub-market. As a result, the modern office stock of Bucharest almost reached 3.2 million sq. m, while the vacancy rate increased to 9.8% level.

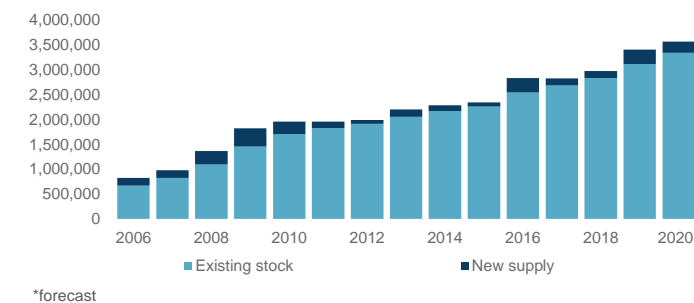
**Covid-19 pandemic impacts the leasing activity**

In Q1 2020, total leasing activity in Bucharest was of 52,000 sq. m, with net take-up having a share of 75% and the West submarket attracting 48% of the total demand. This result reflects a 50% decrease compared to Q1 2019, mainly as a result of the uncertainty caused by the Covid-19 pandemic. In terms of office occupiers, the most active tenants were companies from the Technology & Telecommunications sector, with a share of approximately 55% from the total take-up recorded, further consolidating their position as the number one modern office occupier in Bucharest.

**Pipeline remains robust in spite of the current health situation**

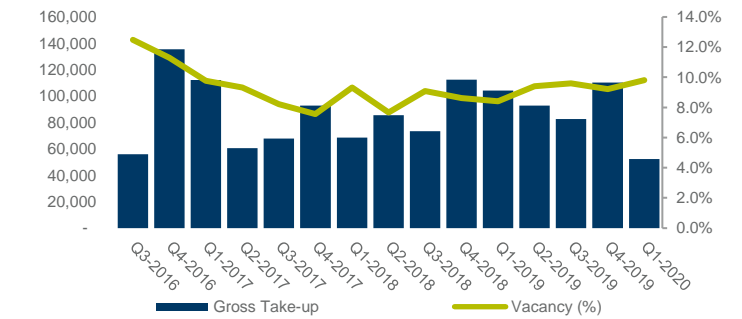
New projects totaling almost 415,000 sq. m GLA are currently under construction, the remaining pipeline for 2020 being estimated at 145,000 sq. m. The most active sub-market in terms of deliveries during the 2020-2021 period will be West (45% market share), where One Cotroceni Park and the new buildings of the multi-phase developments The Bridge and Campus 6 will be completed, followed by Central-North (34%) where the most important developments are represented by J8 Office Park, Globalworth Square and One Tower. Prime rents in Bucharest remained stable in Q1 2020, as asking rents in the CBD area generally fall in the €18.50-19.00/ sq. m/month range, with values of €16.00-17.50/ sq. m/month being recorded in the towers from the Central-North submarket.

**STOCK & DELIVERIES EVOLUTION (SQ. M)**



\*forecast

**GROSS TAKE-UP & OVERALL VACANCY**





## MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	AVAILABILITY (SQM)	OVERALL VACANCY RATE	CURRENT QTR TAKE-UP	YTD OVERALL TAKE-UP (SQM)	UNDER CNSTR (SQM)	PRIME RENT (MONTH)
CBD	357,400	27,800	7.8%	1,843	1,843	39,800	€19.00
Central-North	751,900	43,500	5.8%	1,771	1,771	141,200	€17.50
North	234,700	21,900	9.3%	2,750	2,750	-	€15.00
Pipera	724,100	118,900	16.4%	8,012	8,012	-	€13.00
West	587,700	46,500	7.9%	25,096	25,096	185,500	€15.00
Central	366,200	27,500	7.5%	3,850	3,850	47,700	€15.00
South	42,000	6,800	16.1%	8,991	8,991	-	€12.00
East	122,300	20,600	16.9%	-	-	-	€12.00
<b>Bucharest (overall)</b>	<b>3,186,300</b>	<b>313,500</b>	<b>9.8%</b>	<b>52,313</b>	<b>52,313</b>	<b>414,200</b>	<b>€19.00</b>

\*Rental rates reflect full service asking

## KEY LEASE TRANSACTIONS Q1 2020

PROPERTY	SUBMARKET	TENANT	RSQM	TYPE
AFI Park 2	West	EA Games	11,900	Renewal
City Offices	South	BRD – Societe Generale	9,000	New lease
BOC	Pipera	Honeywell	4,400	Expansion
One Cotroceni Park	West	SII Romania	3,800	Pre-lease
The Light 1	West	Mindgeek	2,800	New lease

## KEY SALES TRANSACTIONS Q1 2020

PROPERTY	SUBMARKET	SELLER / BUYER	SQM	PRICE
50% of Renault Bucharest Connected	West	Elgan Group / Globalworth	21,000	€38M
Olympia Tower	East	Bluehouse / Columbus Investments	11,000	€20M

## KEY CONSTRUCTION COMPLETIONS Q1 2020

PROPERTY	SUBMARKET	MAJOR TENANT	PROJECT SIZE (SQM)	OWNER / DEVELOPER
ANA Tower	Central-North	PwC	35,500	ANA Holding
Globalworth Campus - III	Pipera	UniCredit, Allianz	34,800	Globalworth

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