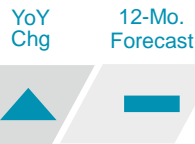


7.4%
Bucharest Vacancy Rate



€4.15
Prime Rent, PSQM



8.25%
Prime Yield



ECONOMIC INDICATORS Q4 2020

-4.5%
GDP (2020 est.)



4.2%
Unemployment Rate



-7.6%
Industrial Production



2.2%
Retail Sales



Logistics demand hits new records

The demand for Logistics space reached a new quarterly record in Q4 2020, with a total leasing activity of almost 413,000 sq. m, up 45% when compared to Q3 2020 and more than double compared to the same period last year. The transactional volume for 2020 reached 994,000 sq. m, reflecting a 109% growth. Renewals represent 25% out of the yearly volume transacted, the activity being mainly driven by new demand. However, the most significant deals signed in Q4 2020 were the renewals agreed by Carrefour, for their 85,000 sq. m distribution center in P3 Bucharest A1, and by Automobile Dacia, for the company's car parts 69,000 sq. m distribution center located in Pitesti Industrial Park. Bucharest attracted 65% of the total take-up in 2020, while Timisoara reconfirmed its position as the most active regional market, with almost 100,000 sq. m transacted (10% market share). Demand was driven by various sectors, with retail and ecommerce leading the way with a 46% market share, followed by Logistics (14%), Automotive (11%) and Pharma (8%).

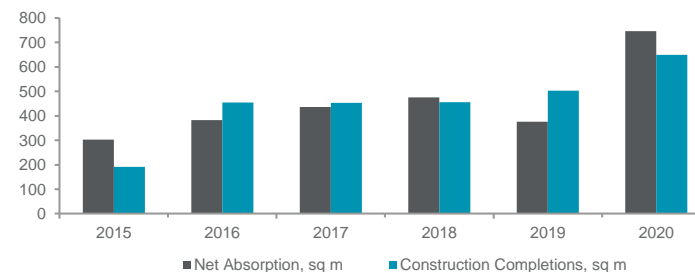
Developers are full-speed ahead

During Q4 2020, developers delivered new spaces of 293,000 sq. m on the market, thus lifting the full-year new supply at 649,000 sq. m. The most significant new developments were represented by Carrefour's 45,000 sq. m distribution center from Deva, delivered by WDP, while CTP completed the first phase of CTPark Bucharest North and expanded their logistic centers in the western part of Bucharest. The vacancy rate slightly increased in Bucharest, reaching 7.4%, while the national level is of approximately 5.4%.

Consistent pipeline

The pipeline for 2021 is consistent, as developers currently have under construction new projects with a total area of 440,000 sq. m in various cities. Bucharest remains the main hot spot, 60% of the new supply being developed around the capital city. Bucharest is not only the largest consumer market in Romania, but it also benefits from a strategic position to become a major regional distribution center, being directly connected to Constanta, one of the main Black Sea ports, while the Bulgarian border is less than 60 kilometers away.

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	2,352,700	173,100	7.4%	274,300	649,300	471,200	265,100	4.15
Timisoara	521,400	16,900	3.2%	21,700	99,400	-	45,900	3.75
Ploiesti	370,000	4,500	1.2%	-	13,000	-	11,000	3.75
Cluj	312,500	3,500	1.1%	1,000	17,900	16,500	39,800	4.00
Pitesti	232,900	0	0%	69,000	69,000	-	-	3.75
Brasov	218,500	2,500	1.1%	5,500	5,500	-	9,400	3.75
Other Cities	556,800	46,000	8.2%	41,500	140,200	161,400	69,300	3.75
ROMANIA	4,564,800	246,500	5.40%	343,000	994,300	649,100	440,500	4.15

KEY LEASE TRANSACTIONS Q4 2020

PROPERTY	SUBMARKET	TENANT	SIZE (SQ. M)	TYPE
P3 Bucharest A1	Bucharest	Carrefour	85,000	Renewal
Pitesti Industrial Park	Pitesti	Automobile Dacia	69,000	Renewal
Mobexpert Distribution Center	Bucharest	Mobexpert	48,000	SLB & Expansion
WDP Park Stefanesti	Bucharest	epantofi.ro	15,600	Pre-lease

KEY CONSTRUCTION COMPLETIONS Q4 2020

PROPERTY	SUBMARKET	MAJOR TENANT	SIZE (SQ. M)	OWNER/DEVELOPER
WDP Park Deva	Deva	Carrefour	45,000	WDP
WDP Park Buzau	Buzau	Ursus	21,000	WDP
CTPark Bucharest North	Bucharest	DSV	21,000	CTP

PIPELINE PROJECTS 2021

PROPERTY	SUBMARKET	MAJOR TENANT	SIZE (SQ. M)	OWNER/DEVELOPER
CTPark Bucharest West 20 – 21	Bucharest	Maersk – IB Cargo	101,800	CTP
WDP Park Craiova	Craiova	Profi	58,000	WDP
WDP Park Stefanesti II	Bucharest	epantofi.ro	50,000	WDP

CRISTI MOGA *Head of Research*
+40 21 310 3100 / cristi.moga@cwechinox.com

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

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