

# ROMANIA

Retail Q1 2022

	YoY Chg	12-Mo. Forecast
<b>€7,800</b> Disposable Income Per Capita	▲	▲
<b>€80.00</b> Prime Rent, sq. m/month	▲	▬
<b>6.50%</b> Prime Yield	▼	▬

## ROMANIA ECONOMIC INDICATORS Q1 2022

	YoY Chg	12-Mo. Forecast
<b>5.9%</b> GDP (2021)	▲	▼
<b>5.6%</b> Unemployment Rate	▼	▼
<b>10.2%</b> CPI*	▲	▼
<b>5.6%</b> Retail Sales Volume	▲	▲

Source: National Institute of Statistics, National Bank of Romania  
\* March 2022 vs March 2021

### Limited development activity

The only project completed in Q1 2022 was the 16,500 sq. m extension of Colosseum Mall in the 1<sup>st</sup> District of Bucharest, the largest retail project delivered in the capital city in the last 6 years. All remaining Covid-19 related restrictions have been lifted and this has already resulted in an increase in footfall and sales in physical stores, although still below the levels recorded before the pandemic. The high inflation is the main challenge for the retail market due to the erosion of incomes and a subsequent decrease of the purchasing power. The Romanian retail market continues to attract new brands, which have announced their plans to enter the local market such as Primark and Footlocker, among others.

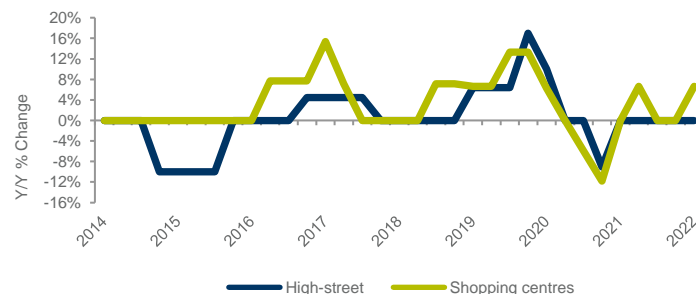
### Moderate pipeline on short and medium term

New schemes or extensions to existing projects totaling around 96,000 sq. m are presently under construction and are expected to be delivered by the end of 2022, while a number of important projects have either been put on hold or are currently under different planning stages. The most significant ones currently under construction are represented by Alba Iulia Mall (29,000 sq. m) developed by Prime Kapital – MAS Real Estate, a scheme which will become the dominant retail project in Alba county and Funshop Park Timisoara owned by Scallier. Prime Kapital (in joint-venture with MAS Real Estate), Scallier and Mitiska have the most consistent pipeline, aiming to extend their portfolios Romania. Moreover, NEPI Rockcastle (the largest owner of modern retail spaces in CEE) has also announced the commencement of the construction works at the Promenada Mall extension (34,000 sq. m) in Bucharest which is due to be delivered in 2025.

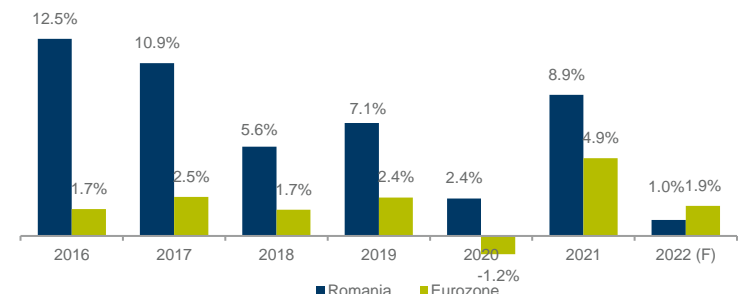
### Prime rents are still facing pressure

The rental levels remained relatively stable, but the high inflation could determine a slight increase, in line with the regional trends. The headline rent achieved for 100 sq. m units in dominant shopping centers in Bucharest was of around € 80 / sq. m/ month at the end of Q1 2022, while in secondary cities, such as Cluj-Napoca, Timisoara, Iasi and Constanta headline rents in dominant shopping centers ranged between € 45 – 55 / sq. m/ month, a level which falls between € 27 – 32/ sq. m/ month in tertiary cities.

### BUCHAREST PRIME RENT



### ROMANIA VS. EURO ZONE RETAIL SALES VOLUME Y/Y GROWTH



## MARKET STATISTICS

SUBMARKET	SHOPPING CENTRE STOCK (SQ. M)	SHOPPING CENTRE PIPELINE UC (SQ. M)	POPULATION*	DENSITY (SQ. M / 1,000 INHABITANTS)	PRIME RENT (€/MONTH)	PRIME YIELD (%)
Bucharest	731,500	34,000	1,883,425	388	€80	6.50%
Cluj-Napoca	125,500	-	324,576	387	€55	7.25%
Timisoara	173,000	-	319,279	542	€50	7.25%
Iasi	82,000	-	290,422	282	€55	7.25%
Constanta	122,000	-	283,872	430	€45	7.25%
Brasov	136,700	-	253,200	540	€35	7.50%
OTHER CITIES	966,200	34,500			€32	8.00%
<b>TOTAL</b>	<b>2,336,900</b>	<b>68,500</b>	<b>20,121,641</b>	<b>116</b>	<b>€80</b>	<b>6.50%</b>

Source: 2011 Census

## NEW-COMERS Q1 2022

PROPERTY	SUBMARKET	TENANT	SIZE (SQ. M)	SECTOR
Shopping Park Baia Mare	Baia Mare	Tedi	N/A	Non-Food

## KEY CONSTRUCTION COMPLETIONS Q1 2022

PROPERTY	SUBMARKET	MAJOR TENANTS	SIZE (SQ. M)	OWNER / DEVELOPER
Colosseum Mall extension	Bucharest	Sinsay, New Yorker, CCC, DM, World Class	16,500	Colosseum Mall

## MAJOR PROJECTS IN PIPELINE 2022

PROPERTY	SUBMARKET	MAJOR TENANTS	SIZE (SQ. M)	OWNER / DEVELOPER
Alba Iulia Mall	Alba Iulia	Carrefour, Sinsay, Sportissimo, New Yorker, Deichman, Altex, Pepco	29,000	PK-MAS REI
Funshop Park Timisoara	Timisoara	C&A, Flanco, KIK, Pepco, Numero Uno, Sportissimo, KFC	10,800	Scallier
Funshop Park Mosnita Noua	Timisoara	Lidl, Penny	10,600	Scallier

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