



Quick Stats



6.25M sqm

Modern industrial stock



4.9%

Vacancy rate Romania



5.2%

Vacancy rate Bucharest



€4/sqm/m

Prime headline rent



7.50%

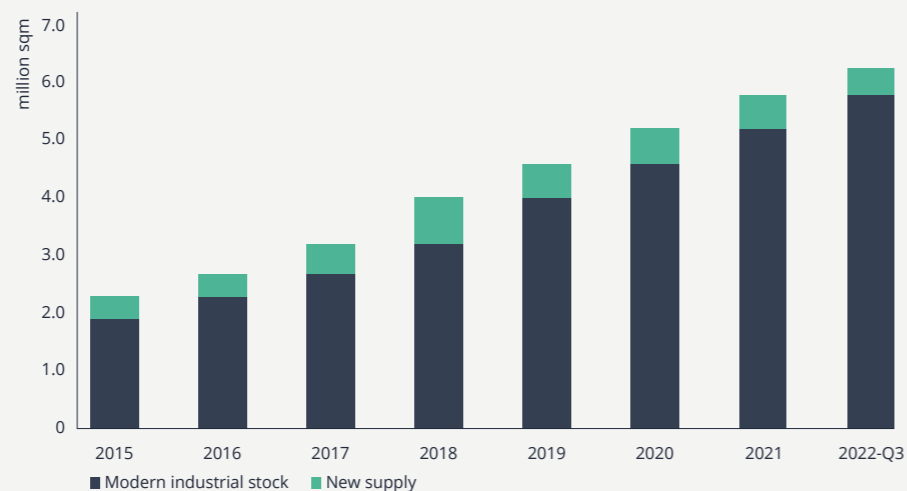
Prime industrial yield

Stock & supply

In Q3 2022, the modern industrial stock in Romania grew with ~150,000 sqm, in line with the average of ~600,000 sqm completed per year (constant in the last 4 years). 43% of the cca 450,000 sqm of Class A industrial space delivered in the first 9 months of this year are in the Bucharest area, 28% in Timisoara and 6% in Brasov area.

Modern industrial stock in Romania is currently estimated at 6.25M sqm, with the Bucharest area comprising cca 47% of the stock. The developers' appetite remains strong for Bucharest, which comprises 62% of the pipeline for the fourth quarter of 2022, followed by Oradea with 26% and Timisoara with 9%.

Modern industrial stock evolution



Most significant leases signed in Q1-Q3 2022 in Romania

Contract type	GLA (sqm)	Hub	Developer	Quarter
New lease	88,000	Ploiesti	CTP	Q1
New lease	85,000	Bucharest	WDP	Q3
New lease	52,000	Bucharest	CTP	Q3
Renewal	52,000	Ploiesti	Logicor	Q3
New lease	37,000	Bucharest	WDP	Q2
Extension	23,000	Bucharest	P3/GIC	Q1
Expansion	19,000	Bucharest	P3/GIC	Q1
Prelease	16,000	Bucharest	Element Industrial	Q1

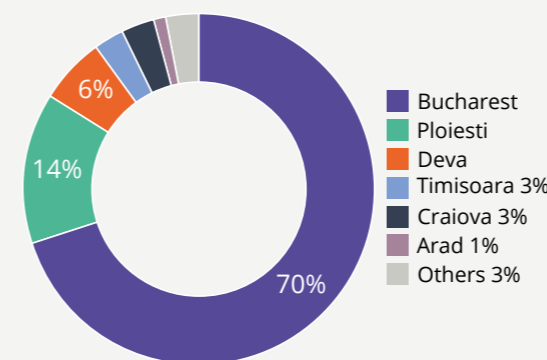
Demand & take-up

In the third quarter cca 414,000 sqm were transacted, a record quarterly figure, and the total leasing activity in the first 9 months reached 980,000 sqm – already overtaking the transaction volume of all previous years in the history of the Romanian industrial market. In terms of take up, the records keep tumbling, thus ensuring that 2022 will be a record year. Renewals generated cca 14% of the total leasing activity of the current quarter.

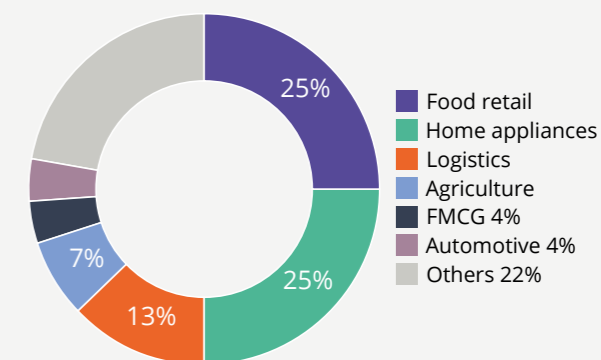
Bucharest area attracted most of the demand in the third quarter (70%), with Ploiesti coming in second with 14%.

The average leased area was 6,300 sqm, an increase from 5,300 sqm in 2021. The food retailers and home appliances companies were most active this quarter, generating 50% of the demand, followed by logistics with 13%.

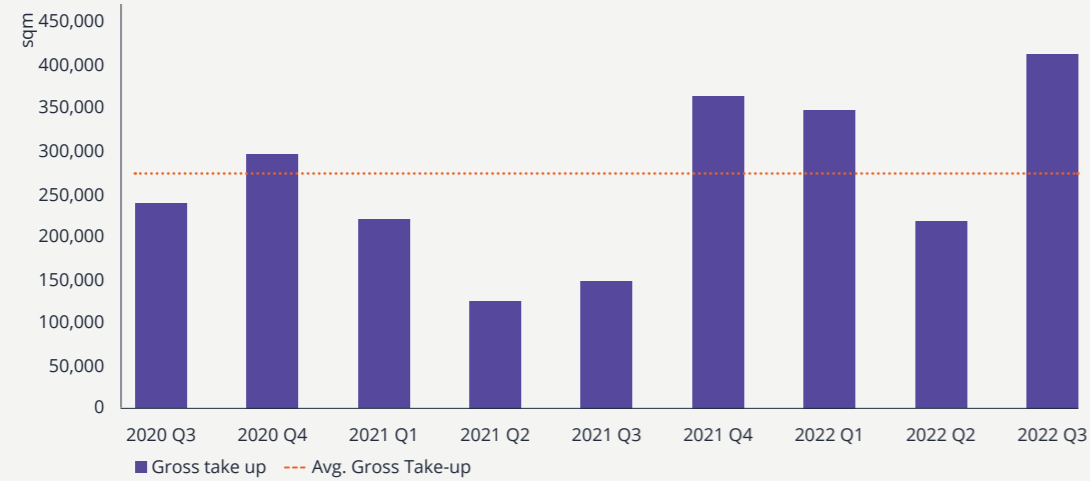
Gross take-up by geography, Q3 2022



Gross take-up by industry, Q3 2022



Gross take-up evolution versus average



Vacancy rate (%)

The average vacancy rate for modern industrial spaces in Romania stands at 4.9%, on a slight increase due to significant deliveries especially in the Bucharest area.

Rents

Prime headline rent remained unchanged from the last quarter, at a level of €4/sqm/month, on a small increase in the last 3-6 months (from €3.85/sqm/month) and slight upward trend in the next 12-18 months.

In addition, service charges of €0.7-1/sqm/month normally apply. An incentive pack of 10-15% from the headline rent is usually granted. The balance of power between landlords and tenants is currently rather evenly matched.

Forecast

The pipeline for 2023 is already very strong (in the area of 700,000 sqm of class A industrial space was announced), out of which a vast majority in the Bucharest area.

Romania is well positioned to attract demand for manufacturing units and distribution centres in the future.

We expect the balance between landlords and tenants to remain tight, as both supply and demand are increasing.

Until the end of 2022, or early 2023, the first industrial park with air cargo terminal in Romania will be delivered. CTPark Oradea Cargo Terminal (60,512 sqm) will benefit from direct connection with Oradea Airport.

Highways and regional industrial & logistics hubs, Romania



Get more market information

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