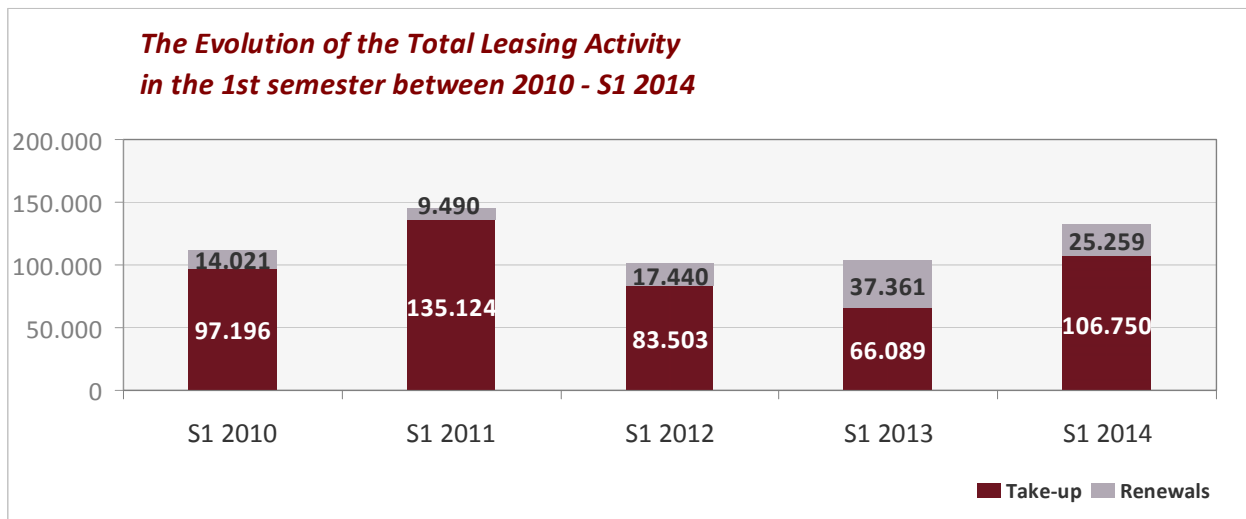


Office Leasing Activity In S1 2014

I . Overview

The first semester of 2014 has brought a **significant increase in the Total Leasing Activity** (indicator including both **Take-Up** and **Renewals**), reaching **132,009 sqm**, i.e. **27%** higher than the similar period of the previous year. The Total Leasing Activity volume in S1 2014 occupies the **2nd position, within the past 5 years**, compared to the values reached in S1 between 2010 and 2014, S1 from 2011 still occupying the first position (with **144,614 sqm**).

The number of transactions entered into was **109**, i.e. **12%** lower than S1 2013, with 124 transactions, such increase being due to 2 transactions of over 10,000 sqm.



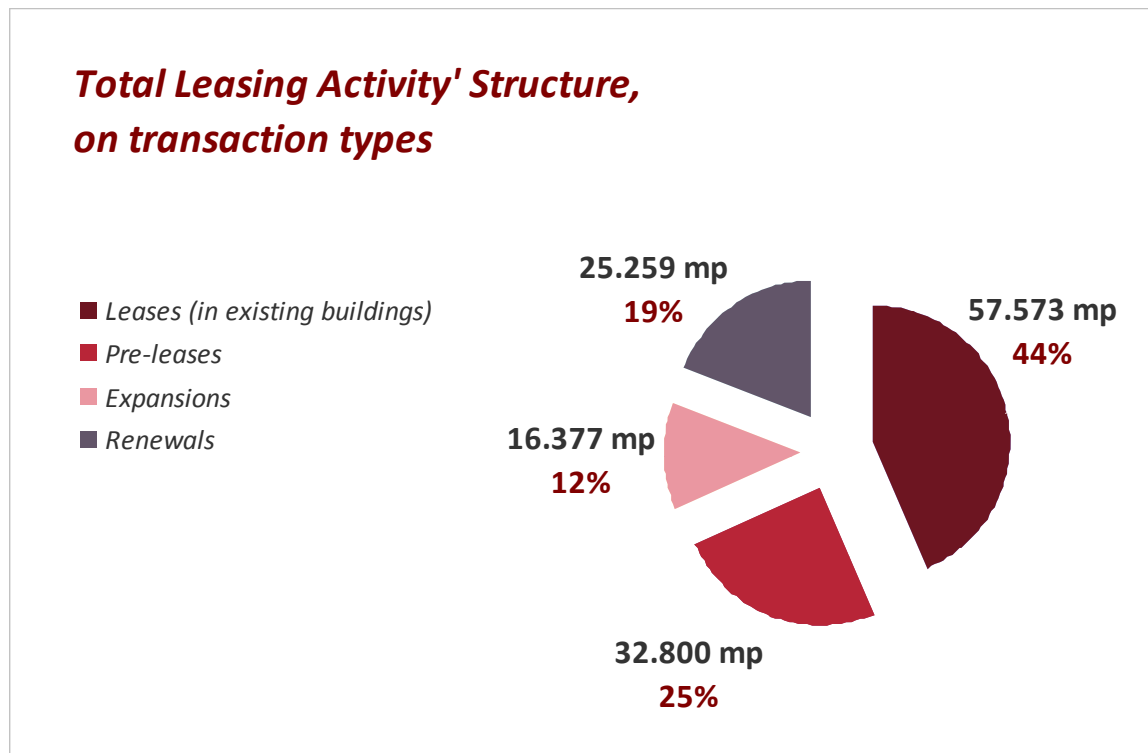
The increase in the number of **Take-Up** (companies relocating their offices) – by **61%** compared to S1 2013 – was the first increase during the past 3 years, and was a determining factor in this positive evolution. Contract **renewals** dropped compared to the similar period of the previous year, by **32%**, representing a change of trend – the first drop after 2 years of growth.

II . The Total Leasing Activity

TOTAL LEASING ACTIVITY STRUCTURE IN S1 2014

Leases in existing buildings represented a significant percentage – **44%** of the Total Leasing Activity in S1 2014, followed by *Pre-leases* and contract *Renewals*.

An interesting fact is that, for the first time in the past 5 years, no sub-lease contract was concluded in S1.

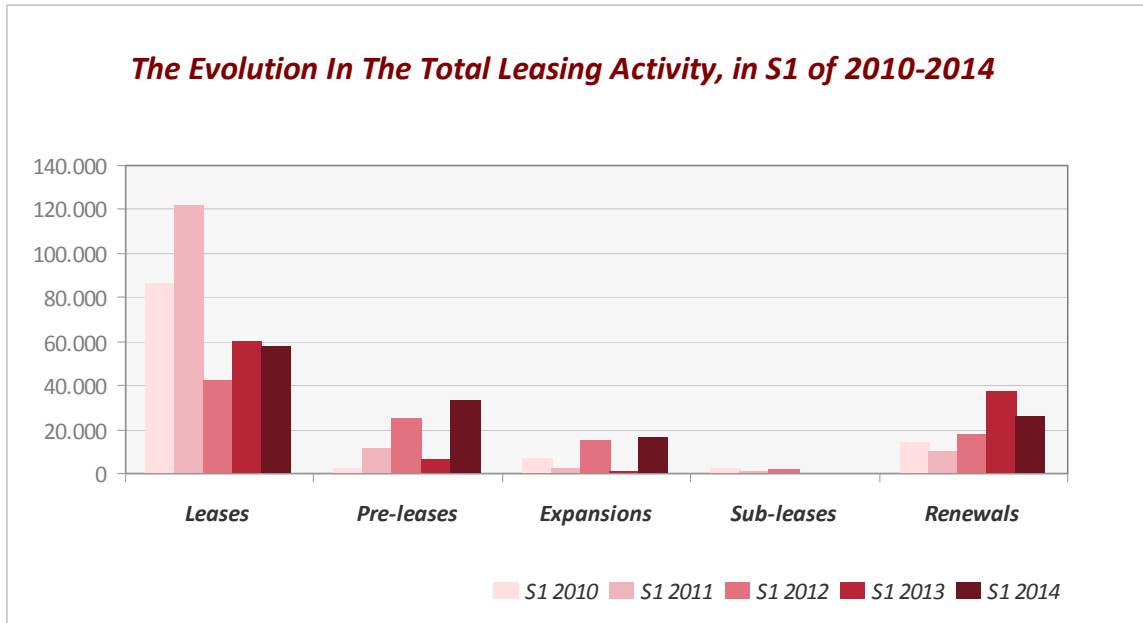


The analysis of the leasing activity structure for the past 5 years reveals that S1 2014 brought a consolidation of the companies' activities in their current offices – reflected by the highest volume of *Expansions* during the past 5 years, of 16,377 sqm.

TOTAL LEASING ACTIVITY STRUCTURE EVOLUTION IN S1 2014

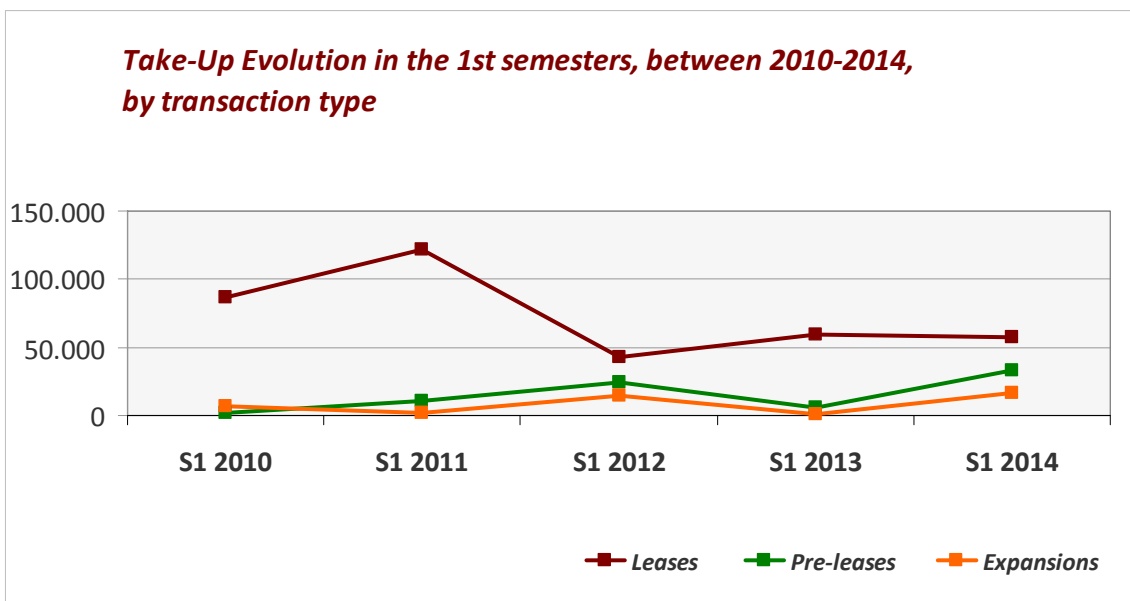
During the first semester of this year, *companies continued to regain their trust* in the medium term perspectives, which is also reflected by the high area leased under the *Pre-leasing* transactions, of 32,800 sqm, being also encouraged by the emergence of certain important projects, adapted to the market situation – such as Green Court, Bucharest One - which also generated the highest transactions on the market.

Leases in existing buildings slightly dropped during the first half of 2014, compared to the similar period of last year – transactions of 57,573 sqm, *i.e.* 3% lower than in 2013 – mainly influenced by the growth of pre-leases and expansions.



III . Take-Up (Relocations)

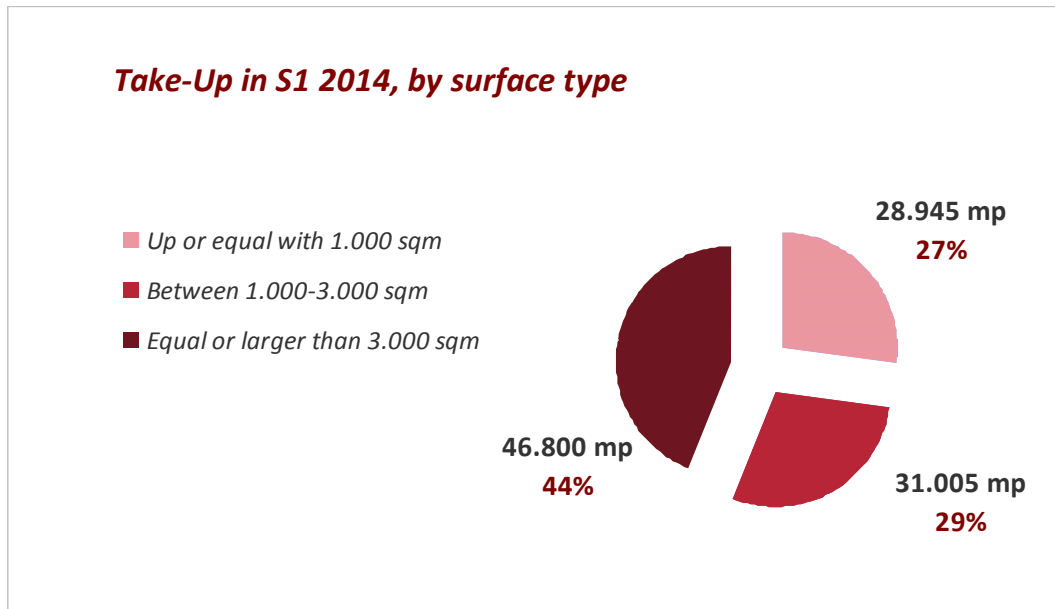
Like the level of the Total Leasing Activity, the volume of Take-Up in S1 2014 occupies the 2nd position compared to the values of the first semester during the past 5 years.



The increase by 61% in Take-Up, from 66,089 sqm in S1 2013 to 106,750 sqm in S1 2014, which is the first increase of this segment for the past 3 years, is a positive signal for the office market.

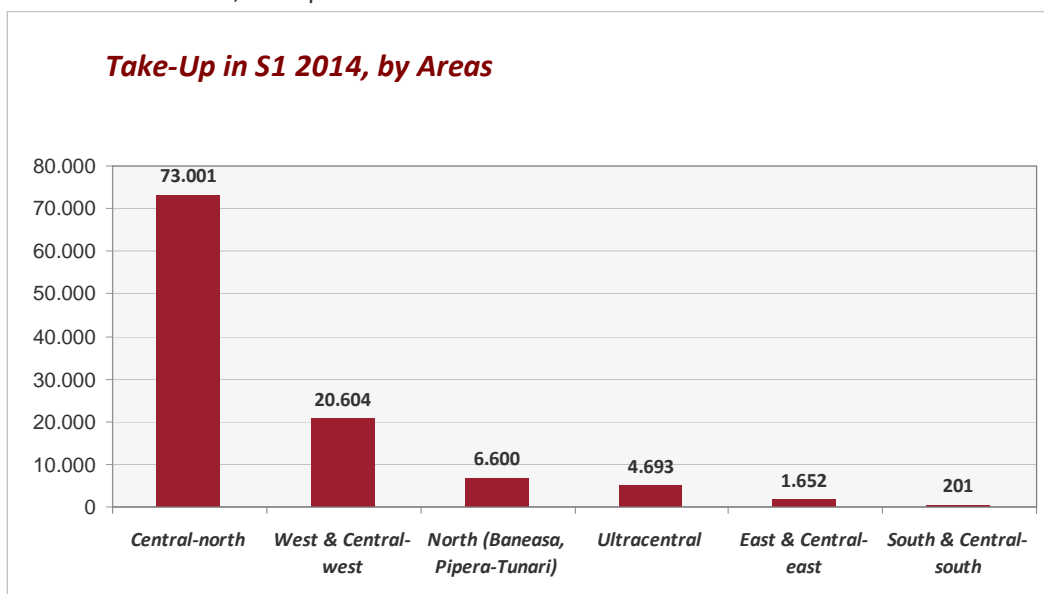
TYPES OF SURFACES MOST FREQUENTLY LEASED

The structure of Take-Up in S1 2014, depending on the leased area, was rather *balanced* – comprised between 27% and 44%. This year, big transactions – of minimum 3,000 sqm had an even higher total area, of 46,800 sqm, representing 44% of the total Take-Up, while the transactions between 1,000-3,000 sqm represented 29% (31,005 sqm), and those below 1,000 sqm, 27% (28,945 sqm).



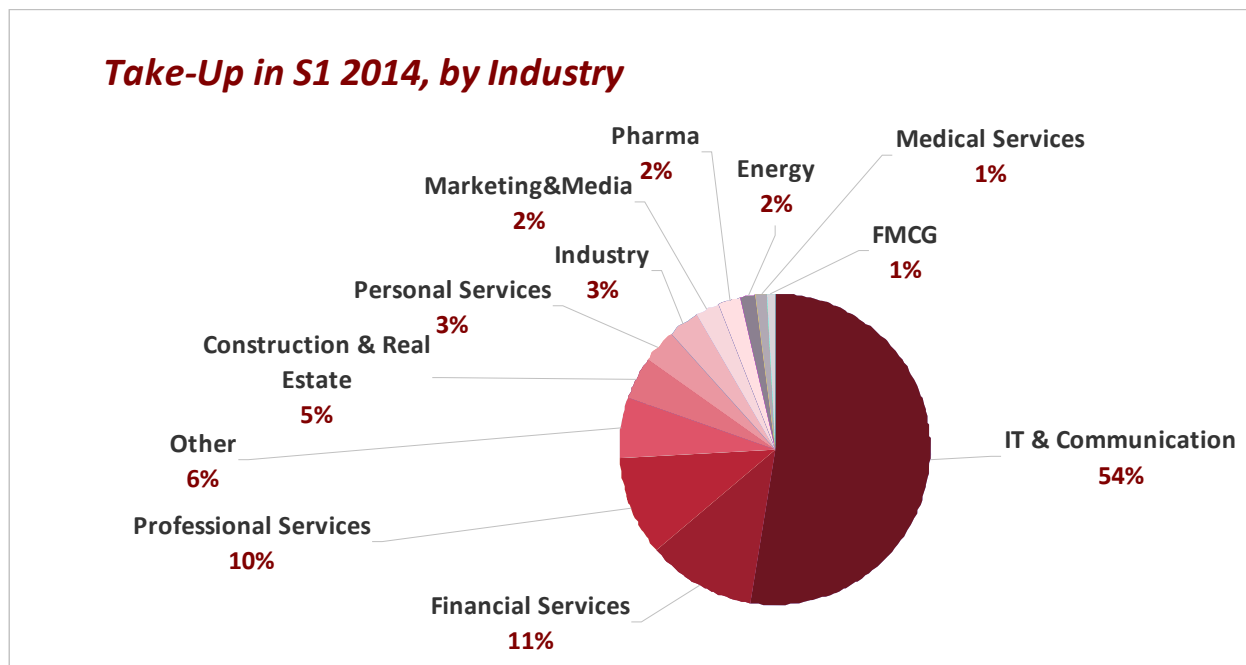
PREFERRED AREAS

Also in this semester, the North of the city was preferred by the customers interested in take-Up: 79,601 sqm in the **Central North and North areas** – representing almost 75% of the total leases. Like the previous year, the **Western Area** of the city was the second important point of interest for customers, with a total of 20,604 sqm leased. In the **Downtown** area, a little less than 5,000 sqm were leased (4,693 sqm), exclusively from transactions below 1,000 sqm.



TAKE-UP BY SECTOR.

The IT&Communication sector was the most active, with 54% of the total transactions, also generating the two largest transactions on the market: Orange and Vodafone (almost 30,000 sqm in total). Like the previous year, the sectors of Professional Services and Financial services generated around 10% of the transactions, while the other sectors did not generate any significant transactions: no sector exceeded 5%.



IV . Office transactions in the country

The transactions concluded outside of Bucharest had a total area of 15,557 sqm, i.e. 60% higher than during the similar period of 2013. The most attractive cities – with over 5,000 sqm leased, were Timisoara (5,532 sqm) and Cluj Napoca (5,190 sqm). Other important transactions were concluded in Iasi – 4,100 sqm or Ploiesti – 735 sqm.

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ABOUT ESOP Consulting | CORFAC International

ESOP is the real estate consultancy company with **the largest office lease department in Bucharest (18 people)**, and a traded surface of over 280,000 sqm in the 12 years' experience on the office market. In 2013, ESOP mediated the leasing of over **35,000 sqm**, ranking among **the top 2 players** on the Bucharest **office relocation market**.

Starting with 2013, ESOP operates in association with **CORFAC International - Corporate Facility Advisors** – an alliance of entrepreneurial commercial real estate firms, committed to provide high quality services **at a local, national and international level**. Through CORFAC's Principal Membership in **FIABCI** (the International Real Estate Federation) - and affiliated independent firms in key markets worldwide, CORFAC International offers commercial real estate services with **market reach in 61 locations in North America** and in more than **65 other countries worldwide**. **Fact Sheets – over 9,600** real estate transactions annually, encompassing **47 mil. sqm (513 million square feet)** and valued at more than **\$5.95 billion**.

Locations covered by the real estate consultancy services offered by ESOP Consulting to its partners, in alliance with CORFAC International.

