



BUCHAREST OFFICE MARKET UPDATE

Q3 2023

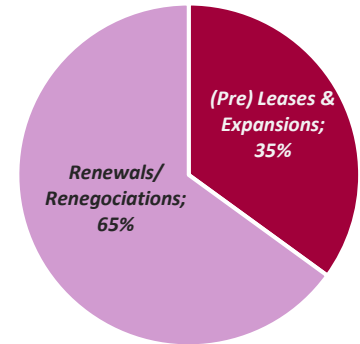
OCCUPIER FOCUS

Total Volume of Transactions

In Q3 2023, the total volume of transactions on the Bucharest office market reached **165,480 sqm**, close to the total for the first semester of the year.

From this, **(Pre) Leases & Expansions represented 35%**, and the remaining 65% was represented by Renewal/Renegotiation transactions.

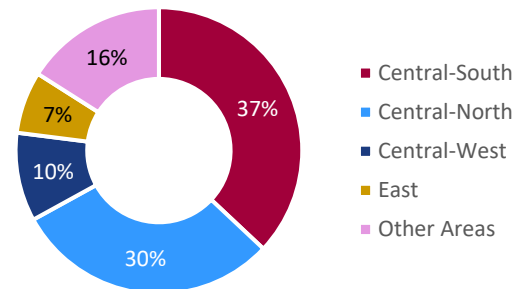
Total Volum of Tranzactions in Q3 2023



(Pre) Lease & Expansions, By Area

The most sought-after area in Q3 2023 was the **Central-South one**, which though only 5 transactions concentrated 37% of the volume of (Pre) Lease & Expansions, followed by the **Center-North area with 30%**.

(Pre) Lease & Expansions, By Area

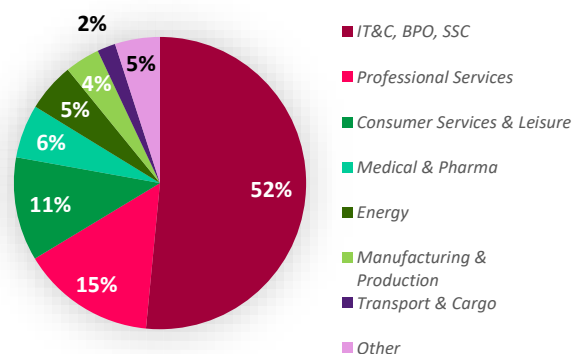


(Pre) Lease & Expansions, By Industry

The **IT&C industry had clearly led the office market in Q3 2023, with 52%** of the newly leased areas, increasing compared to the first half of the year.

The **Professional Services** and **Consumer Services & Leisure** sectors followed with **15%** and respectively **11%** of the leased area.

(PRE) Leases & Expansions, by Industry



The Main Transactions in Q3 2023

Tenant	Lease Area (sqm)	Building	Area
Adobe	17,500	<i>U Center 2</i>	Center-South
WNS GLOBAL SERVICES	3,800	<i>West Gate Park</i>	West
THE HOME	3,070	<i>Victoria Park</i>	North
VEOLIA	3,000	<i>Stefan cel Mare Office Building</i>	Center-North
SEGULA TECHNOLOGIES	2,030	<i>U Center 1</i>	Center-South
NEW DIMENSIONS	1,280	<i>Orhideea Towers</i>	Center-North
EUROWAG	1,240	<i>U Center 2</i>	Center-South

OFFICE DELIVERIES

In the third quarter of 2023, only one office building was put into use, namely U Center – Building B, with a total area of 32,500 sqm.

Main Office Projects to Be Delivered in 2023

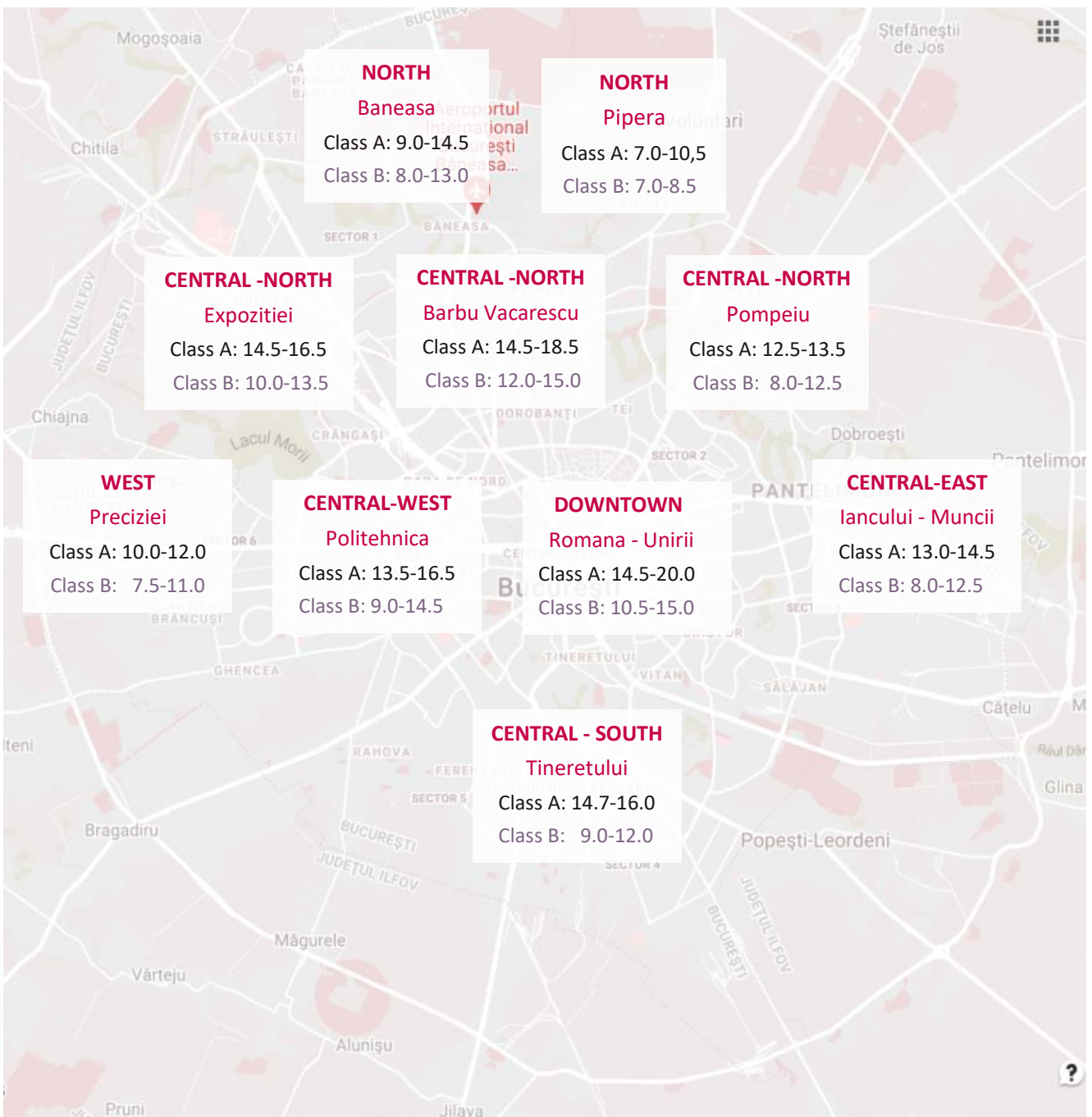
Area	Project Name	Delivery	Surface (sqm)	Location
CENTRAL-WEST	ONE Cotroceni Park – Phase II	S1 2023	34,000	Razoare
CENTRAL-NORTH	Equilibrium – Phase II	S1 2023	19,400	Barbu Vacarescu
	@EXPO - Building A	S1 2023	28,300	Piata Presei
	Muse	S1 2023	7,000	Piata Presei
CENTRAL-SOUTH	U-Center - Building B	S2 2023	35,000	Tineretului
DOWNTOWN	ARGHEZI 4 Business Center	S2 2023	7,500	Universitate

OUTLOOK

Considering yet that for 2024 there will be highly limited new deliveries, as most initially planned projects have delayed the commencement of the construction works, office deliveries will be under pressure for the following 12-18 months. This will be compensated by a series of office spaces becoming available in existing buildings, where leases reach expiry dates and tenants renew a new cycle for a smaller size, in the context of the hybrid working systems.

Asking Rent Levels in Q3 2023

In Q3 2023, the asking rent level of several office buildings got slightly increased, due to the high inflation rate on the market. Please find below a general view of the market rents level in Bucharest, in Mid-2023.



ESOP Partners in Time



Company: **HARMAN**

Field of activity: Automotive
Surface: 10.000 sqm
Building: Metrooffice
City: Bucharest



Company: **HELLA Romania**

Field of activity: Automotive
Surface: 4.000 sqm
Building: City BC
City: Timisoara



Company: **HELLA Romania**

Field of activity: Automotive
Surface: 5.800 sqm
Building: Electroputere BP
City: Craiova



Company: **UP Romania**

Field of activity: Business Services
Surface: 2.400 sqm
Building: U Center
City: Bucharest



Company: **IDEMIA Romania**

Field of activity: IT & C
Surface: 4.030 sqm
Building: Berlin Bldg.-Sema
City: Bucharest



Company: **1 & 1 Internet Development**

Field of activity: IT & C
Surface: 3.500 sqm
Building: Sky Tower
City: Bucharest



Company: **TRACTEBEL Engineering**

Field of activity: Profess. Services
Surface: 1.620 sqm
Building: Expo BP
City: Bucharest



Company: **LUDAN Engineering**

Field of activity: Profess. Services
Surface: 1.100 sqm
Building: AFI Tech Park I
City: Bucharest



Company: **SNC LAVALIN Romania**

Field of activity: Profess. Services
Surface: 1.150 sqm
Building: Hermes Campus
City: Bucharest

About ESOP Consulting | CORFAC International

ESOP, established in 2002, is a **trustworthy reference name** on the Romanian real estate market, among the **top 5 consultancy companies** on the commercial segment, and the **no. 1 local brand on the office segment**, having mediated the lease of over 100,000 sqm offices within the last 3 years.

Starting 2013, ESOP is the Romanian affiliate of **CORFAC International** a leading network of **independently-owned, entrepreneurial real estate firms** that partner to deliver quality and experienced service **locally, nationally, and internationally**. CORFAC members have expertise in office, industrial and retail brokerage, investment sales, multifamily, self-storage, acquisitions and dispositions, property management and corporate services. Through **80 offices worldwide**, CORFAC covers 46 US markets, 6 in Canada and 27 international markets including **Australia, Colombia, France, Germany, Ireland, Israel, Italy, Mexico, Romania, Russia, South Africa, South Korea, Switzerland and the United Kingdom**. What CORFAC stands out for is its members' commitment in delivering reliable solutions, within a creative, trustworthy and highly customized process. **Fact Sheets – over 10,000 transactions** annually, encompassing **600 mil. sq feet** and valued at more than **\$9,2 billion**.



Locally Owned. Globally Connected.

For any other details, you can contact us at:

IRINA GHITULESCU

Research Consultant

Tel: 021 - 528.04.40

irina.ghitulescu@esop.ro

MIRELA RAICU

Partner

Tel: 021 - 528.04.40

mirela.raicu@esop.ro

ALEXANDRU PETRESCU

Managing Partner

Tel: 021 - 528.04.40

alexandru.petrescu@esop.ro



Locally Owned. Globally Connected.

