

BUILDING TRUST IN HOSPITALITY NEW PROJECT TO BE DELIVERED IN ALBA IULIA



Mercure Hotel will soon step into the wonderful Transylvanian area

Vitalis team is currently working on a new project in the hospitality sector – Mercure Alba Iulia. The grand opening is planned for the next year, and we could not be more excited. Due to the wonderful lands and surroundings, this new hotel will be the perfect place for a well-deserved break from urban agitation. The neighborhood offers a wide range of activities of recreation, visits, and leisure.

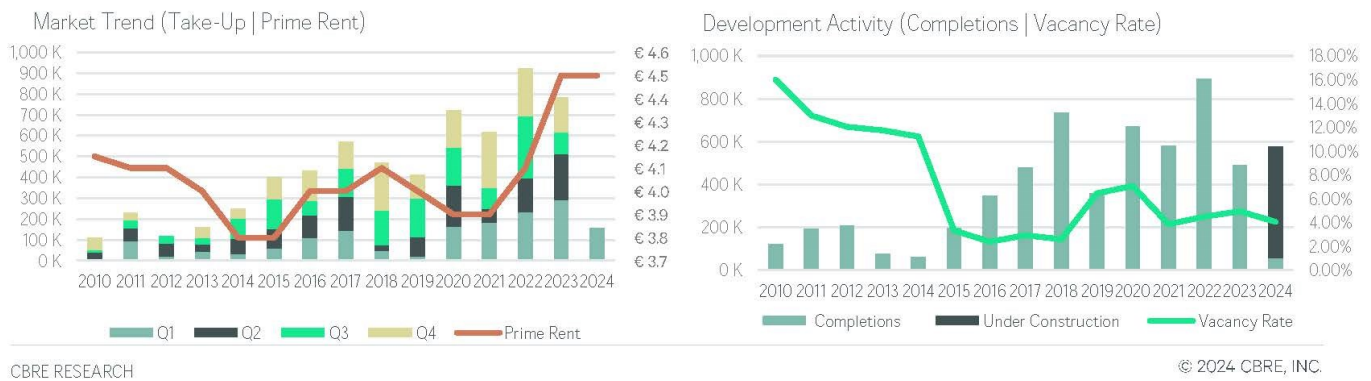
Mercure Alba Iulia will offer guests more than 100 modern rooms, a restaurant with outdoor terrace, one event hall, playground for children and a SPA center. An aspect that should not be omitted to praise is its unique location. Alba Carolina Citadel is one of the most remarkable fortresses in Romania and is placed 3 minutes far from the hotel. Other nearby attractions are Cathedrals, Churches, Museums, and Local Parks. The entire zone is rich in historical buildings, streets, and events. Our implication in this project is to provide with the same professionalism and dedication Project & Cost Management Services and Site Management Services. Our partner here is Dentotal, an impressive developer with whom we have worked before on two other projects.

Inside this issue:

1. Building Trust in Hospitality | New Project to be delivered in Alba Iulia
2. Romania Industrial Market Figures Q1 2024
3. Modern office stock in Romania's major regional cities exceeds 1 mln sqm, Cluj remains at the top
4. The Latest Updates on Vitalis Consulting's LinkedIn Page

Our collaboration started in 2014 with the construction of Mercure Bucharest City Center, located in the center of the city. It was followed by one other development of Ibis Styles Bucharest City Center, close to Cismigiu Gardens. Both projects were designed in an urban & modern manner. In Alba Iulia, our team is working continuously to prepare for the very best results. We are more than happy to continue building trust in our partnerships and to be a part of this new milestone.

ROMANIA INDUSTRIAL MARKET FIGURES Q1 2024



At the end of Q1 2023, Romania's modern industrial stock reached 7.28 mln. sq m, almost half of it being developed in Bucharest. At regional level, the West / North West industrial area, represents 23% of the country's modern stock.

Since the beginning of the year, a new supply of 57,400 sq m in five industrial parks was inaugurated, 69% of the area being in Bucharest. Central and South regions marked new developments as well (22% and 9% from O1's new supply).

Another 519,000 sq m could be found at the quarter's closing in different construction stages with an estimated delivery date by the end of the year. Even though all five I&L regions will benefit from new projects, The West / North West and Bucharest regions are the largest receivers, together having 65% of the future new supply. A new trend shaping the market is the increased interest (both developers and tenants) for intermodal terminals linking railways to seaports, as Romania partially joined the Schengen area and controls at the internal air and sea borders have been lifted starting with 31st of March.

The total leasing activity (TLA) of industrial and logistics spaces in Romania during the first three months of the year amounted to 199,500 sq m, lower by 38% compared with the same quarter of the previous year and with 35% seen against Q4 2023. Take-up (total leasing activity excluding renewal and renegotiations) claimed 78% of the TLA. Pre-lease deals claimed 33% of the take-up, one-third of the new demand generating developers' start of built-to-suit projects.

Leasing deals were signed in all five industrial regions of the country, Bucharest being the main scene of the transactional activity (51% from TLA). A quarter of the total area was signed for properties part of the South region, the Central and West / North West regions attracted each a share of 10%, while 4% were contracted in the East / North East region. Logistics represented 36% of the total area, while Storage and Production jointly claimed a share of 27%.

A slowdown of leasing for Production purposes could be observed, nonetheless, this segment witnessed new entry players. In addition, the demand for I&L spaces can be correlated with the residential market, especially through the lower request for household appliances, which determine the market players' need to occupy spaces for logistics and/or production.

(Source: www.cbre.com)

MODERN OFFICE STOCK IN ROMANIA'S MAJOR REGIONAL CITIES EXCEEDS 1 MLN SQM, CLUJ REMAINS AT THE TOP



Developers completed 83,000 sqm of new office projects in Romania's major regional cities (Cluj-Napoca, Timisoara, Iasi, and Brasov) in 2023, and the modern office stock thus exceeded the 1 million sqm threshold, according to Cushman & Wakefield Echinox Office Market Regional Cities report. The figure represents around 30% of the corresponding total in Bucharest.

Cluj-Napoca continues to be the largest regional office hub, with 340,400 sqm of such spaces at the end of 2023 (31.5% of the total), followed by Iasi, where the stock expanded after the delivery of Palas Campus (60,000 sqm) and the first phase of Silk District (23,000 sqm) to 296,200 sqm (27.4% of the total). Next, in Timisoara, the stock stood at 293,500 sqm (27.1%), and in Brasov, at 152,200 sqm (14%).

According to the same source, the office pipeline in the four analyzed cities is very low compared with the deliveries registered in 2023, as only two projects with a total area of 26,000 sqm may be completed by the end of 2024/beginning of 2025, namely Coresi Business Campus U1 in Brasov and Paltim in Timisoara. However, developers announced plans to start the construction of a further 170,000 sqm of new office spaces in the major regional cities in the next 5 years, out of which 75,000 sqm in Cluj-Napoca, 81,000 sqm in Iasi, and 10,000 sqm in Brasov. Among the main office projects under construction or in different planning stages, Cushman & Wakefield Echinox mentioned Silk District phase II developed by Prime Kapital – MAS RE in Iasi, the second phase of AFI Park in Brasov (AFI Europe), and NHood's plans to add a new building within the Coresi Business Campus in Brasov.

The most important projects expected in Cluj-Napoca relate to the Prime Kapital – MAS RE and Iulius Group mixed-use developments, scheduled to be built on the former Cesarom and Carbochim industrial platforms. Vlad Saftoiu, Head of Research Cushman & Wakefield Echinox, said: "The major regional centers boast a combined enrollment of around 190,000 students (more than in Bucharest) and a workforce of approximately 550,000 employees (representing more than 50% of the level recorded in Bucharest), while the office stock in these cities is less than a third of the corresponding total from the capital city. Therefore, if we adjust these figures to the economic context of the analyzed cities, we believe that Cluj-Napoca, Iasi, Timisoara, and Brasov have the capacity to attract new companies that will generate demand for office spaces, and we estimate that another about 400,000 sqm of new projects could be absorbed by the cities in question in the long term."

In terms of leasing activity, Cluj-Napoca has the lowest vacancy rate (6.2%) outside Bucharest, while 10.7% and 11.8% of the Timisoara and Brasov office stocks are unoccupied. Moreover, a higher vacancy rate of 20.4% is recorded in Iasi, mainly in B-class buildings.

CHECK OUT OUR LATEST UPDATES ON LINKEDIN AND JOIN OUR ONLINE COMMUNITY FOR MORE!



Today is the last day of ConstructFest - an annual event organized by the Academic Foundation of UTCB and dedicated to the Romanian Civil Engineering Market. We are more than proud to be recognized as Ambassadors of UTCB and we will continue to participate and support these kind of actions!

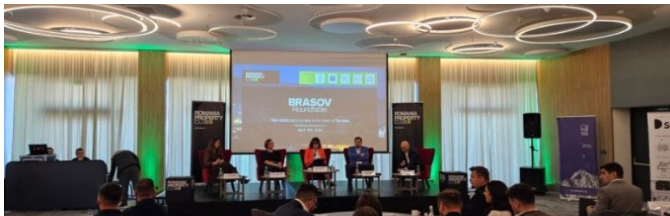
Last evening we had the honor of attending the wonderful SEE Real Estate Awards Gala. Big "Congratulations!" to the organizers for such an impressive event and to all the deserving winners.

New generations are preparing to become successful in this industry and we encourage you all to continue it!

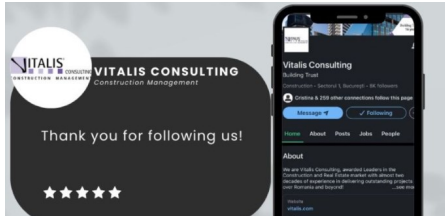
The event was a celebration of excellence in the industry, and we are proud to have been a part of it. Local developers, investors, and professionals from South-Eastern European region were present and we all discussed the main relevant topics in real estate.

[in /company/vitalis-consulting](#)

[in /company/vitalis-consulting](#)



Today we attend the Romania Property Club's event – Brasov Roundtable 2024!



A new milestone has been reached - 8,000 followers here, on LinkedIn!

The subject of this conference was about the Real Estate opportunities in Brasov – the heart of Romania. We discussed the main sectors in Real Estate (residential, hotel, office, retail) in connection with the latest trends, investments, infrastructure, and opportunities for development.

We would like to take this opportunity and thank each and every one of you for the amazing involvement & interest we feel from your side! We are truly grateful to be a part of this growing active community and for receiving your support!

[in /company/vitalis-consulting](#)

[in /company/vitalis-consulting](#)



	<p>BUCHAREST, ROMANIA 8 Stefan Burcus Street, District 1, 011415 T: +4 021 231 53 57/ 58, F:+4 021 231 53 59 office@vitalis.com, www.vitalis.com</p>	<p>LONDON, UK CHISINAU, MOLDAVIA KIEV, UKRAINE</p>
--	--	---