

## TECHNICAL DUE DILIGENCE AND PROJECT MONITORING SERVICES The fundamental steps when developing a new project



In the world of construction and development, the success of a project often hinges on meticulous planning and thorough evaluation. At the heart of this process lie the often-overlooked yet critical tools – *Project Monitoring* and *Technical Due Diligence* reports. In an industry where uncertainties and challenges abound, understanding the importance of monitoring and diligence ensures the success of any development.

Since the beginning, Vitalis Consulting team has been involved in providing monitoring services and preparing TDD reports. Now, after 18 years of activity we proudly look over our +400 projects and continue to build trustful partnerships. With a team of professionals that are dedicated to what they do, our clients have understood how important it is to work together in order to develop these reports. The results that emerge are not only beneficial from a technical perspective, but also financially.

We call Project Monitoring ***The Must of the real estate market***. It is tailored to certify the financial institutions that the investment is sustainable, and that funding is properly used. Hundreds of projects benefit from Project Monitoring services provided by Vitalis Consulting, which are now successful developed businesses. Technical Due Diligence, known as ***the best tool for assessing development risks*** is one major and essential step that needs to be taken into consideration before acquisition, refurbishment, or reconversion of a property.

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We offer support for TDD studies on both land sites and buildings. The TDD reports show all the irregularities found and a set of suggested measures necessary for adjustment. It is beneficial to provide these reports before starting the project, so the client can be fully aware of all possible risks and further costs.

With these reports as a trusted ally, developers can navigate the complexities of the construction with confidence, ensuring meticulous attention to details.

## BUCHAREST ACCOUNTS FOR OVER A QUARTER OF ROMANIA'S FOREIGN TRADE



Over a quarter (26.4%) of Romania's foreign trade activity was concentrated in Bucharest, in the first half of the year, with operations worth 13.9 billion euros, according to an analysis by the Chamber of Commerce and Industry of the Municipality Bucharest (CCIB), which is based on the information of the National Institute of Statistics (INS).

According to the cited source, after the Capital, in the first quarter of 2024, Timiș county was located – with a total share of 8.1% of international trade, followed by Ilfov – with 7.7%, Argeș (6.4%) and Brașov (4.2%).

In terms of exports, during the analyzed period, the firms and companies from Bucharest delivered goods outside the country's borders, worth 4.4 billion euros, equivalent to 19.1% of Romania's exports. In this segment, the capital was followed by the counties: Timiș – with a share of 9.8%, Argeș (8.3%), Brașov (5.2%), Ilfov (4.8%), Dolj (4, 7%), Arad (4.3%), Alba (4.1%), Prahova (3.8%) and Sibiu (3.4%). Overall, the share of these ten counties in Romania's export was 67.5%, while the remaining 32 accounted for only 32.5%.

According to the CCIB analysis, the main groups of goods exported by the companies with their headquarters in Bucharest were: machines and appliances, electrical equipment and their parts (27.3%), plant products (18.1%), mineral products (13.1%), products of the chemical industry (8.3%), food products, beverages, alcoholic liquids and vinegar, tobacco and tobacco substitutes (5.5%), vehicles and auxiliary transport equipment (4.8%), base metals and articles thereof (4%), instruments and optical equipment (3.2%), textile materials and articles thereof (3%), weapons and ammunition, parts and accessories thereof (2.2%). All these groups of goods have a share of 86.8% of the export of Bucharest companies, it is specified in the specialized analysis.

Regarding imports, firms and companies with their headquarters in the Municipality of Bucharest reported a value of 9.5 billion euros (32% share of Romania's imports between January 1 and March 31, 2024). In this regard, the Capital, which holds almost a third of the total import, was followed in the top by the counties: Ilfov – with 9.9%, Timiș (6.8%), Prahova (5.2%), Argeș (4, 9%), Cluj (3.8%), Brașov (3.4%), Arad (2.7%), Alba (2.7%) and Mures (2.7%).

On a general level, the share of the ten counties in Romania's import was 74.1%, while the remaining 32 totaled 25.9%. As for the structure of the goods imported by the companies with their headquarters in Bucharest, the main six groups that can be found in the statistics of the analyzed period were: machines and devices, electrical equipment and their parts (22.9%), products of the chemical industry (19, 8%), vehicles, aircraft, vessels and transport equipment (7.9%), foodstuffs, beverages, alcoholic liquids and vinegar, tobacco (7.4%), mineral products (7.3%), base metals and articles from these (6.5%), which had a share of 71.8% of the import of Bucharest companies.

(Source: [www.romaniajournal.ro](http://www.romaniajournal.ro))



## BR ANALYSIS | RESIDENTIAL MARKET SEES GROWING DEMAND, BUCHAREST TOPS SALES



The residential market has been growing this year despite still high inflation and expensive loans. Over 77,200 homes were sold in Romania in the first six months of 2024, up 16% compared to the similar period of 2023, while the number of homes sold in Bucharest and Ilfov increased at an annual pace of 25%, shows a market report released by real estate consulting firm SVN Romania, based on official statistics.

The biggest growth in home sales was registered in Iasi, where the number of dwellings sold in the first half of 2024 was 71.4% higher compared to the number registered in H1 2023. The increase in home sales in Iasi was determined by the registration in 2024 of the final sale-purchase documents for agreements that had been closed in previous years. The weakest result was registered in Arges county, where the number of homes

sold was 11.5% below the one recorded in the similar period of 2023.

"The first half of 2024 was a good one for the local residential market, with home sales up nationally by 16%, driven by the decline in interest rates—especially fixed ones, where the threshold of 5% per year was broken, but also by the best level of accessibility in the modern history of the residential market. The average net wage has exceeded EUR 1,050 nationally, which means that currently about 81 average wages (6.7 years) are needed to buy a one-bedroom new apartment in Bucharest, versus a level of 96 average wages (or about 8 years) that were required at the beginning of 2023," said Andrei Sarbu, the CEO of SVN Romania. According to data provided by the ANCPI, 27% more homes were sold in the capital city in June 2024 compared to the same month of last year, specifically 3,862 units compared to 3,043.

"This significant sales growth highlights the high demand for new homes, driven by the constant increase in rental prices and the high yields generated by real estate investments. In this positive context, North Bucharest Investments recorded almost double the growth rate compared to the average sales rate in the capital. We finalised 72 transactions in June 2024, 50% more than the units we had sold in the same month last year. The significant increase in sales reflects buyers' growing confidence in the potential of this market," says Vlad Musteata, the CEO of North Bucharest Investments. The Bucharest real estate market remains a key destination for those seeking a safe and profitable investment. In fact, Bucharest ranks among the cities with the highest number of apartments and houses transacted in June 2024. According to ANCPI, the ranking is continued by Timis with 866, Ilfov with 691, Constanta with 589, Cluj with 569, and Brasov with 551 units sold in June 2024. An analysis conducted by North Bucharest Investments shows that 3-4 room apartments and houses are sought out by 70% of those who want to live in the northern part of Bucharest. Meanwhile, 85% of those seeking an investment that will generate generous rental or resale income opt for 2 rooms and studio apartments. In the northern part of Bucharest, 70% of customers are looking for 3- and 4-bedroom apartments or houses in the Pipera and Tunari areas. Buyers are generally families with 1 or 2 children who are not dependent on public transportation and are interested in properties with spacious terraces or balconies. These apartments are in demand on intermediate floors, which offer views of quiet areas. Another important segment, represented by 25% of North Bucharest Investments customers, prefers two-bedroom apartments. Young families without children are the main clients of these categories of real estate, preferring to live on higher floors and close to public transportation, especially the metro, but also near shopping malls, gyms, and medical clinics. The remaining 5% of customers opt for studio apartments, preferably located near metro stations. Studio flat customers are generally young single people who have come to Bucharest for studies or specific jobs.

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David Popovici made a whole country proud by winning the gold medal at the #Olympics

His dedication to this sport and unwavering commitment to excellence have truly paid off, and we couldn't be more excited to celebrate this phenomenal achievement.

Congratulations, David, on this well-deserved victory - you are an inspiration to us all!

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## SITE MANAGER INSTALAȚII

Proiectele din Craiova au nevoie de tine! Trimite-ne CV-ul tău și vino în echipa noastră



WE ARE HIRING!

Suntem în căutarea unui nou membru al echipei #Vitalis pentru rolul de Site Manager - instalații. Încă de la început am activat simultan în diferite proiecte din diverse zone ale țării. Iar, acum avem nevoie de un coleg ce se va alătura proiectelor din Craiova!

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Happy Birthday to our amazing Managing Director, Alexandru Samoila!

Your leadership, dedication, and vision have been instrumental in guiding our company to success and #BuildingTrust. We are grateful for all that you do and the positive impact you have on our team and organization.

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Happy birthday, Decebal!

You are not only an incredible colleague, but also a wonderful friend of this team. Your hard work, passion and positive attitude inspire us all. May this special day bring you all the happiness and joy you deserve.

Enjoy your day to the fullest!

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