

BABA NOVAC RESIDENCE - A NEW MAJOR PROJECT IN VITALIS CONSULTING PORTFOLIO



The Residential Complex Baba Novac Residence is a new project to be developed under Vitalis Consulting's supervision, being the first collaboration between Vitalis and Tesatoriile Reunite Company, a former major player on the weaving field and textile finishing industry since 1933, whose business was recently changed into the development and promotion of real estate.

The project implies the construction of six buildings with a total of 363 locative units distributed on the ground floor and eight more floors and 436 underground and overground parking lots, on a 13.972 sq. m total area. The land is ideally located at 61 Eufrosina Popescu Street, 3rd District, in Bucharest, close to the Baba Novac intersection, near the well-known Dristor neighborhood and just two minutes from Dristor Metro station.

The link between greenspace and people's health and wellbeing was the core which led to the construction of

Baba Novac Residence. Right from the beginning, the BNR compound was perfectly embedded in the landscape, ecological and social context, not just thanks to its close proximity to „Alexandru Ioan Cuza” Park, also known as IOR Park, one of the biggest parks in Bucharest, but also because of the design of a large green space inside the residential complex, which residents will benefit from.

The collaboration between Vitalis Consulting and Tesatoriile Reunite Company started in September 2016, as a result of obtaining the Zonal Urban Plan (P.U.Z) from the local authority by SIF Moldova, the majority shareholder of Tesatoriile Reunite Company.

In the pre-construction phase, from September 2016 until May 2017, Vitalis Consulting provided Project and Cost Management services, coordinated the process for obtaining the building permit, organized the tender for contracting a general contractor and prepared the Master Project Schedule, as well.

The construction phase started in June 2017 and will last 22 months. During the construction time Vitalis will offer Project and Cost Management services, Site Management and Health & Safety Coordination.

According to the construction planning, the project is estimated to be delivered in April 2019.

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IN MAY 2017, THE CONSTRUCTION WORKS DECREASED BY 16.7% COMPARED TO MAY 2016

Compared to the previous month, in May 2017, the volume of construction works increased, as gross series, by 10.6% and decreased as adjusted series according to the number of working days by 1.3%. Compared to the corresponding month of the previous year, the volume of construction works decreased, both as gross series and as adjusted series according to the number of working days and to seasonality by 16.7% and by 13.1%, respectively. The volume of construction works increased as gross series by 10.6%, increase highlighted in all the structure elements: in maintenance and current repairs works of 26.4%, in capital repair works of 18.1% and in new construction works of 5.6%. By construction objects, there were rises in engineering works of 17.7% and in non-residential buildings of 10.8%. There were drops in residential buildings of 0.6%.



In May 2017 compared to May 2016, the volume of construction works decreased, as gross series, by 16.7%. By structure elements, there were drops in all the structure elements as follows: in capital repair works of 47.7%, in maintenance and current repairs works of 28.4% and in new construction works of 4.6%. There were rises in residential buildings of 48.4%. The volume of construction works decreased, as adjusted series according to the number of working days and to seasonality, by 13.1%. By structure elements, there were drops as follows: in capital repair works of 46.0%, in maintenance and current repairs works of 26.6% and in new construction works of 3.8%. ³/₄.By construction objects, the volume of construction works decreased in engineering works by 32.1% and in nonresidential buildings by 19.7%. There were rises of 51.6% in residential buildings.



(Source: www.insse.ro)

BUCHAREST PREMIUM SALES MARKET RESIDENTIAL APARTMENTS

In the last few years, the stable economic and political environment, sustained by an increase in average monthly income, private consumption, tax cuts and a decrease in unemployment rate, contributed to the real estate market evolution on all segments, including the premium residential sector.

In 2016, the most active areas in terms of premium residential development were Kiseleff and Aviatorilor, each comprising of 35% share out of the number of units completed across Bucharest's premium locations in central-north.

More than 1,000 premium residential units are currently under construction and planned for delivery in the next two years, out of which 40% have been already transacted. The most active areas in terms of construction works are Floreasca and Herastrau.

Given that the northern area of Bucharest has become an important office destination, the investors' confidence and appetite for developing premium residential units is set to follow the same positive trend. Their intention is highlighted also by the fact that a series of land plots were recently transacted in the central and northern part of the city.

In 2016 a number of 35 apartments have been completed across Bucharest's premium residential locations, with Kiseleff and Aviatorilor being the most active.



In the first quarter of 2017, approx. 140 premium apartments were delivered, a level four times higher compared with what was delivered in 2016. This underlines that the market is set to follow the initial positive trend going forward.

The current pipeline shows that in 2017 and 2018 more than 1,000 units will be completed across Bucharest's premium residential locations. Around 600 premium residential apartments are due to be delivered this year alone.

Floreasca and Herastrau continue to be the most active locations in terms of premium residential development. At the opposite, the lowest activity in terms of constructions works is recorded in Kiseleff, Primaverii and Aviatorilor, since only 10% of the total number of units under construction are being located in these areas.

(Source: cwechinox.com)

BUCHAREST SEES 43,000 SQ. M OF NEW OFFICES

About 43,000 sq. m of new office space were delivered in Bucharest in the first six months of this year (H1), out of a total of 140,000 sq. m of office space that should be delivered this year, according to specialists.

The new demand for office space in Bucharest reached 80,000 in the same period.

The leasing contracts signed in the first half total 185,000 sq. m of office space, compared to 192,000 sq. m during the same period in 2016.



More than 60 companies leased new office space in the first half of this year and 40 renewed their existing leases, according to specialists. The biggest 15 transactions totaled over 104,700 sq. m of offices.

Bucharest's office inventory amounts to about 2.43 million sq. m. The average vacancy rate has dropped to 9% in Romania's capital, a minimum after the financial crisis.



(Source: www.romania-insider.com)

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