

33 CENTRAL STREET OFFICE BUILDING A NEW PROJECT IN VITALIS CONSULTING OFFICE PORTFOLIO



An Office Building Boutique project ideally placed in downtown Bucharest, 33 Central Street Office Building benefits from an excellent accessibility, being located at 33A Dorobanti Boulevard, in close proximity to Romana Square, Victoria Square and Sheraton Hotel.

33 Central Street project is the first collaboration between Vitalis Consulting and Downtown Center - the developer of the 4,000 sq. m modern office building.

The construction works for the 5-storey building, started in May 2016, being coordinated by Vitalis Consulting, who acted as Project and Cost Manager.

Within this project Vitalis allocated four professionals

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directly involved in the construction process, ensuring Project and Cost Management, Site Management, Site Inspection Structure and Finishes, Site Inspection Mechanical & Electrical, Health & Safety Coordination and well as Energy Performance Certification.

As Client Representatives on the construction project, Vitalis supervised the progress of construction works, evolution of costs versus budget, the compliance with the original design & quality standards as well as every other issues of interest to the project beneficiary. Started last year, 33 Central Street will be delivered in June 2017.

Vitalis office sector portfolio also includes projects such as: Globalworth Tower, The Bridge, Ethos House, Stefan Cel Mare Office Building, Moldova Center in Iasi, The Landmark, Q-Fort Office Building in Craiova, Hattrick Office Building in Sibiu, etc.

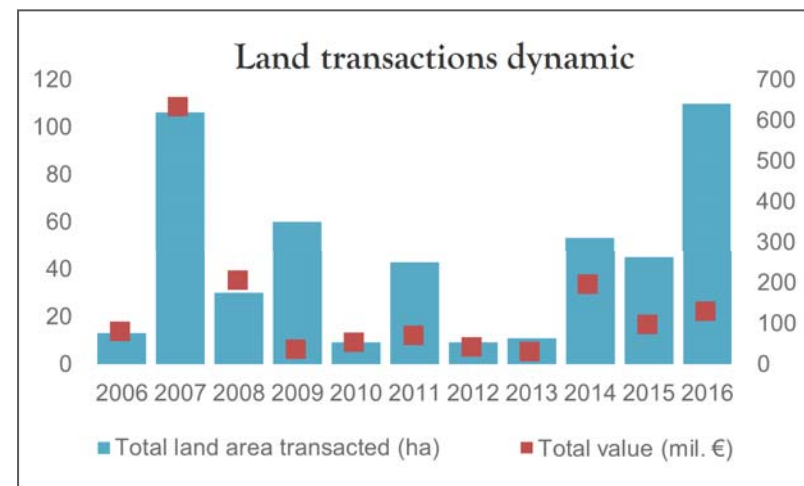
Flora Popa

MARKETBEAT BUCHAREST LAND MARKET 2016 RESIDENTIAL SEGMENT LEADS TO A NEW RECORD

In 2016 in Bucharest the total land area transacted was of 110 ha, the highest volume recorded in the last ten years. In terms of value, land transactions amounted € 127 mil., which represents an increase of 41% compared with the previous year.

The most expensive lands were acquired for office development in the central area of the city, while at the opposite stand the logistics sites located on A1 Highway. Transaction prices range between 20 €/sq. m and 1,800 €/sq. m, the average price was of 115 €/sq. m, influenced by the significant volume of residential and logistics transactions at lower prices.

In terms of location, the vast majority of the lands transacted for offices, residential and retail are located in the central and northern part of the city, while for the logistics sector the western border of Bucharest remains the most attractive. The perspectives on the Bucharest land market are positive, since vacancy rate for office, retail and logistics properties have dropped significantly during the last years. In the same time, the residential market is very dynamic, with developers securing buyers during construction stage.



For 2017 and 2018 the office pipeline in Bucharest is consistent, with more than 400,000 sq. m under construction, but for 2019 - 2020 the new stock announced is significantly lower. Given that there is strong demand coming from the IT, BPO and SSC sectors, we expect to see going forward new land acquisitions targeting the development of efficient and sustainable office parks/mixed use projects.

The retail sales recorded significant growth during the last years and are projected to

follow the same positive trend due to increasing disposable incomes and consumer confidence. Most of the retailers are searching for new locations to expand, but the pipeline is thin. Bucharest is still able to absorb new retail schemes and we expect this to be confirmed by new land acquisitions.



(Source: cwechinox.com)

LOGISTICS AND INDUSTRIAL SPACES CLOSE TO FULL OCCUPANCY BUCHAREST - Q1 2017

Vacancy rate for logistics and industrial spaces in Bucharest is close to zero, with low deliveries of new projects and high demand in the first quarter. According to data from JLL Romania, only 27,000 sq. m of industrial spaces were delivered, while net demand was nearly seven times higher, reaching 180,000 sq. m.

Existing stock of industrial and logistic spaces in Romania reached 2.5 million sq. m at the end of the last year, out of which 1.2 million sq. m Bucharest, resulting in a density of 128 sq. m per 1,000 inhabitants, lower than in the other countries in the CEE. Approximately 75% of the Bucharest stock is clustered along the A1 highway corridor in the west.



From the demand point of view, JLL representatives see an advance of almost 40 per cent compared to the first quarter of last year, the entire surface being net demand, respectively new contracts and contracts built to suit. Demand structure shows that 70,000 sq. m, or 40 per cent of the total, are leased spaces by logistics companies, while retailers have signed deals for 53,000 sq. m, or 30 per cent of the total. More than two-thirds of the first-quarter demand targeted Bucharest, over 97,000 sq. m. Timisoara, Ploiesti, Cluj and Roman are other cities that have attracted companies for industrial and logistics.



Another record level of 400,000 sq. m has been announced to be delivered until the end of 2017, as developers are encouraged by the low vacancy and record demand to further expand their existing parks or to start new projects.

Headline rents for prime distribution facilities, especially in Bucharest, are estimated at €3.5 to 4.1 sq. m/month. Rents for prime light industrial facilities are quoted between €3.3 and 4.25 sq. m/month.

(Source: jll.ro)

JYSK SIGNS LEASE AT BISTRITA RETAIL PARK

Danish furniture retailer JYSK signed a contract with Element Development on 1,275 sqm at Bistrita Retail Park. JYSK is expected to open a store at the 9,000 sq. m commercial gallery in September, according to local news reports. Bistrita Retail Park, representing an investment of €7.5m, is going up at Calea Moldovei 13, a few minutes from the Bistrita city center. CBRE is in charge of leasing, while Vitalis Consulting is the project manager.

Situated in an area with strong potential for local trade, Bistrita Retail Park will be comprised of 15,000 sq. m rentable area, and 6,000 sq. m food court.

Within this project, Vitalis Consulting is ensuring Project Management Services in order to deliver a shopping center perfectly adapted to needs of the city as surface, design and mix of retailers.

Bistrita City is an important attraction for the north-west area, where it lives an active and dynamic population, with a high purchasing power and a low unemployment rate.



Bistrita Retail Park development is part of a dynamic context for retail in Transylvania. Retail in Romania recorded a significant growth in 2015 due to increased consumption.

Thus, the fashion industry had incomes growing of 12% in 2015 over the previous year while fast food operators have recorded incomes growing more than 20%. Overall, revenues recorded by retailers in Romania in 2015 increased 10% compared to 2014, the highest growth rate in Central and Eastern Europe.



(Source: encompassme.com)

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