

NETROM CAMPUS: NEW OFFICE COMPLEX TO BE DEVELOPED IN CRAIOVA UNDER VITALIS COORDINATION



NetRom Software is a Dutch owned software company founded in 1999 located in Craiova, Dolj County, providing professional software development services for various companies worldwide.

Starting this year, Vitalis Consulting has concluded a new collaboration with this Client, as we were appointed to coordinate the construction process of NetRom Campus, a modern office complex located in Craiova city, aimed to improve the overall working standards of Client's over 300 employees.

The project consist in the development of five 2-storey office buildings with a total area of approx. 25,000 sq. m. Following one of the most important trends in the Romanian construction market, the new office complex will integrate the wellness concept by improving the employees' wellbeing and by offering exclusive facilities for recreation, hobbies and sport activities.

The office campus will be featured with a recreational area of approx. 1,500 sq. m and an interior garden. Moreover, the employees will have access to a tennis court, football court and an athletics track as well.

We have already started the construction works of the first office building out of the 5 to be developed within this project, having one underground level, ground floor and 2 floors and a total area of approx. 3,500 sq. m. Vitalis team is currently coordinating the execution works of the building's structure.

Within this project our team of proficient construction experts is providing Project and Cost Management services, as well as Site Inspection and Health and Safety Coordination.

The first building is estimated to be delivered in Q2 2020, following which the schedule of construction works for the other four remaining buildings will also be established.

Inside this issue:

1. NetRom Campus: New Office Complex To Be Developed in Craiova under Vitalis Coordination
2. Construction Works in September 2019
3. The Romanian Industrial Market Could Feel Major Effects From A Hard Brexit
4. The Latest Updates on Vitalis Consulting's LinkedIn Page



Flavia Popa

CONSTRUCTION WORKS IN SEPTEMBER 2019

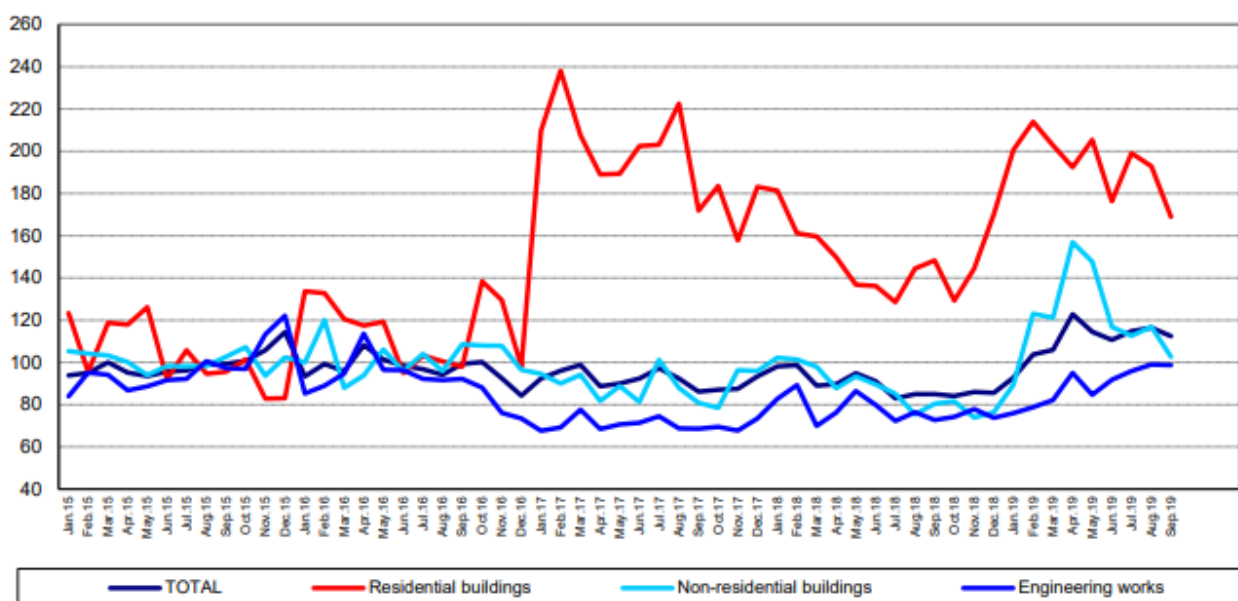


Compared to the previous month, in September 2019, the volume of construction works increased, as gross series, by 2.8% and decreased, as adjusted series according to the number of working days and to seasonality, by 3.4%. Compared to the corresponding month of the previous year, the volume of construction works rose both as gross series and as adjusted series according to the number of working days and to seasonality, by 30.5% and by 32.4%, respectively.

By construction objects, the gross series shows rises in the volume of engineering works (+5.9%) and non-residential buildings (+0.7%). The volume of construction works decreased by 2.3% for residential buildings. The volume of construction works fell overall, as adjusted series according to the number of working days and to seasonality, by 3.4%. The volume of new construction works dropped 9.2% and the volume of capital repair works decreased by 1.7%. An increase was reported for maintenance and current repair works (+3.1%).

By construction objects, the adjusted series according to the number of working days and to seasonality shows drops in the volume of construction works for residential buildings (-12.4%), for non-residential buildings (-12.1%) and for engineering works (-0.3%).

Monthly evolution of construction works, by construction objects, January 2015-September 2019



In September 2019 compared to September 2018 the volume of construction works increased overall, as gross series, by 30.5%. By structure elements, increases were reported for maintenance and current repair works (+44.3%) and for new construction works (+32.0%). The capital repair works fell by 5.6%. By construction objects, the gross series shows rises in the volume of construction works as follows: for engineering works (+39.2%), for non-residential buildings (+28.0%) and for residential buildings (+13.3%). The volume of construction works rose, as adjusted series according to the number of working days and to seasonality, by 32.4%.

THE ROMANIAN INDUSTRIAL MARKET COULD FEEL MAJOR EFFECTS FROM A HARD BREXIT



Overall, industrial and logistics take-up increased some 40% in the first three quarters of 2019, to 306,300 sq. m, but this figure is nearly 27% below 2017's same period. 2019 still looks like a solid year overall (including the fourth quarter).

Domestic industry is already contracting amid less than favorable indicators coming from Romania's major trading partners (Germany especially) and one of the staples of Romania's industry – its auto sector, is likely to feel the pinch of global trends, with the auto manufacturing sector seeing its first decline in a decade.

Private consumption remains quite decent in Romania amid (still) double-digit wage growth in year-on-year terms, meaning that the need for industrial and logistics spaces assigned to the expanding retail sector throughout Romania should remain a driver in 2020; so will the expansion of e-commerce, which is growing quite fast alongside traditional brick-and-mortar operations.

Romania's goods exports to the UK are nearly two thirds bigger in terms of absolute value than the service exports, but the latter likely have more value embedded as British demand generates around 12% of external demand for domestic IT services, for instance.

Strictly on the goods side, the UK is a major destination for various manufacturing sectors (including automobile industry), the textile sector and agriculture. Around 9% of the Romania's car exports head to the UK, with a hefty export demand also coming from various car parts; in the women's apparel segment, the UK attracts over one quarter of the exports.

A negative Brexit scenario could lead to a significant short-term impact, but it would also lead to longer-lasting effects as global value chains have become closer integrated and Romania's biggest export partners do a considerable amount of business with the UK. Over a longer term, it is quite difficult to say how things will settle, though Romania's relatively low wages, healthy productivity gap to labor costs and good connectivity to Western European markets would offer some advantages.

The industrial and logistics stock will grow considerably in the next three years (by 2023), if infrastructure projects really start to become visible and fiscal policies will not experience major changes designed to discourage investments in this segment.

(Source: www2.colliers.com)

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



We are happy to have our team coordinating the development of a new Ibis Style hotel in downtown Bucharest, comprising 152 guest rooms, luxury restaurant, inside bar, conference rooms and its own parking area. The construction works are moving forward and until we reach the final stage of completion, we are offering you a sneak peek inside the hotel's rooms.

[in /company/vitalis-consulting](https://www.linkedin.com/company/vitalis-consulting)



Gran Via Aviatiei Apartments, another outstanding residential compound of EUR 17 million total investment value, developed by Gran Via Real Estate has successfully reached the completion stage under Vitalis Consulting team supervision. The project consisted in the development of 291 new premium apartments and 300 underground parking lots, in Bucharest, Aviatiei area.

[in /company/vitalis-consulting](https://www.linkedin.com/company/vitalis-consulting)



Earlier these days we were talking about some strong collaborations we had strengthened this year. One of them is with Hagag Development Europe, part of Hagag Group, for whom Vitalis Consulting team is coordinating 4 ambitious projects of about EUR 150 million in the most exclusive areas of Bucharest.

[in /company/vitalis-consulting](https://www.linkedin.com/company/vitalis-consulting)



Vitalis team is coordinating the construction works for some ambitious projects this year, both in Bucharest and major regional cities. Radisson Blu hotel in Cluj-Napoca, Magazinul Bucuresti and One Verdi Park mixed-use project are only a few of the major developments from our portfolio.

[in /company/vitalis-consulting](https://www.linkedin.com/company/vitalis-consulting)



BUCHAREST, ROMANIA
 175 Calea Floreasca, 11th Floor, District 1
 T: +4 021 231 53 57/ 58, F:+4 021 231 53 59
 office@vitalis.com, www.vitalis.com

LONDON, UK
CHISINAU, MOLDAVIA
KIEV, UKRAINE