

## TAKING CARE OF MORE THAN 150 YEARS OF HISTORY: GRAND HOTEL DU BOULEVARD IS BEING REFURBISHED UNDER VITALIS TEAM COORDINATION

The famous Grand Hotel du Boulevard is one of the oldest hotels in Bucharest and an iconic building, gathering between its walls over 150 years of history.

Ideally located in the heart of Bucharest, the hotel was built in 1867, by the very architect who designed the building of the University of Bucharest, holding over the years the most exclusive diplomatic receptions, gala dinners, and sumptuous balls.

A complex refurbishment and restoration process is undergoing, aiming to resurrect the prestigious capital of the emblematic building and, at the same time, comply with the current requirements in terms of buildings quality, comfort, and efficiency. The refurbishment process will transform Grand Hotel du Boulevard into the first 5-star Corinthia Hotel in Romania.

Vitalis team was appointed to provide Construction Management Services for the project and is currently coordinating the renovation process. Being classified as an architectural and cultural monument by the Romanian Ministry of Culture, the new Corinthia Grand Hotel du Boulevard will be preserved in terms of design and architectural details, some of the interiors being restored close to their initial form of glory.

The Hotel will offer 30 luxury rooms and suites, fine dining, a grand banquet hall, and exclusive facilities



disposed on 4 floors.

We are currently supervising the construction of the technical rooms at the basement level and the renovation of the rooms on the 3rd floor, rooms on the 1st and 2nd floor being at the „white box” stage. On the 4th floor, the works are in progress for thermal and sound insulation.

We are delighted to help Grand Hotel du Boulevard to regain its position at the forefront of Bucharest's luxury hotel industry, by Building Trust throughout the process.

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*Flora Popa*

# BUCHAREST OFFICE MARKET IN Q1 2022



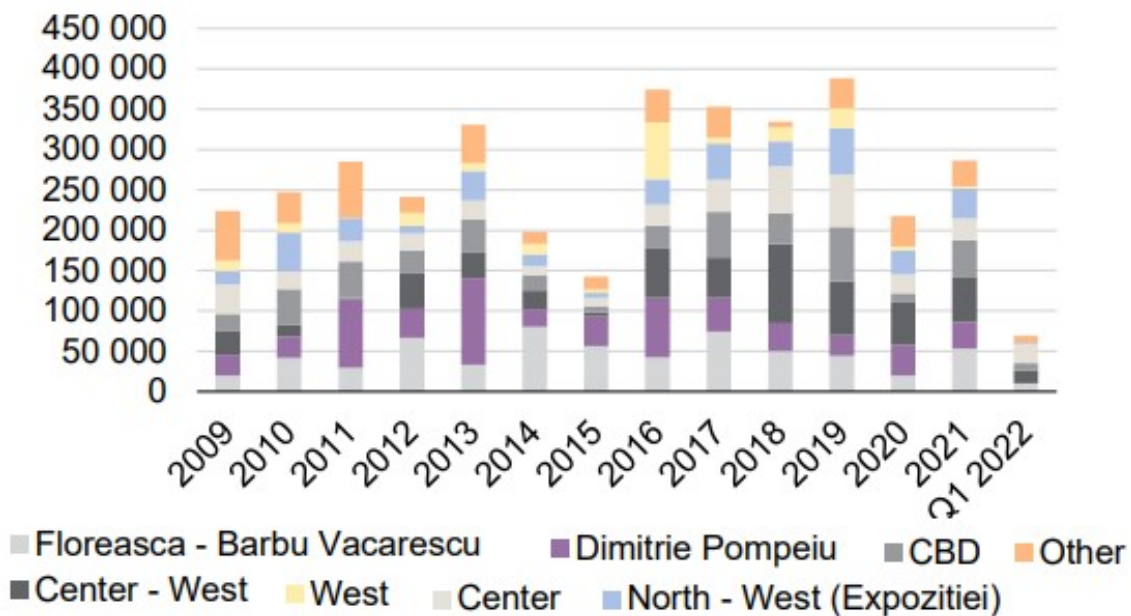
After the GDP growth for 2021 was revised to a final 5.9%, from initial estimates of 7%, economic performance in 2022 is likely to be considerably lower than anticipated, with a modest 2.9% growth, according to the latest official prognosis issued in April. This is after a 4.3% increase estimated in February. When it comes to Bucharest office market, the demand is improving. Total gross transactions volume in Bucharest during Q1 2022 reached 69,500 m<sup>2</sup>, 17.5% below the previous quarter but 36% over Q1 2021.

On the other hand, net take-up increased in Q1 2022 by 30% compared to the previous quarter, to 45,600 m<sup>2</sup> and more than doubled when considering Q1 2021.

New leases had the largest share in total transaction volumes in Q1 2022, with approx. 60% of the total, followed by renewals and renegotiations, with 21%.

The vacancy rate slightly increased during Q1 2022, from 13.7% in the previous quarter to 14.3%, also considering a significant volume of new offices being delivered during the period.

## Evolution of Gross Take-up (m<sup>2</sup>), 2009 – Q1 2022



Although most companies have started recalling their employees at the office, the accommodation process is usually progressive. Thus, not all employees are required to work from the office all days of the working week, and to a certain extent, the hybrid approach of “work from home – work from office” remains.

Q1 2022 experienced a high level of new deliveries, of 73,500 m<sup>2</sup>, compared to only 29,500 m<sup>2</sup> in Q1 2021.

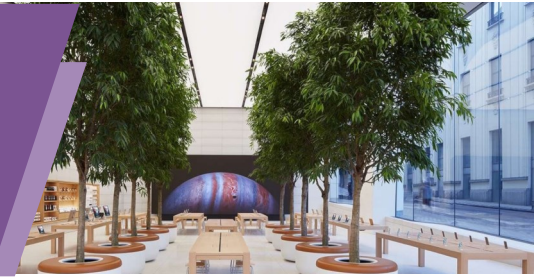
The largest project delivered during Q1 was Sema Office London & Oslo, with a total of approx. 31,500 m<sup>2</sup> GLA, developed by River Development in the Center-West submarket.

Until the end of 2022, another 83,000 m<sup>2</sup> are expected to be added to the market, bringing total deliveries for the year to 156,500 m<sup>2</sup>. This would represent a 36% decrease when compared to 2021.

The Center-West submarket attracts almost 60% of all deliveries expected for 2022, or over 90,000 m<sup>2</sup>.

The largest project expected to be completed by the end of 2022 is the second phase of One Cotroceni Park, developed by One United Properties, adding approx. 34,500 m<sup>2</sup> to the Center-West submarket.

## DEVELOPERS TO OPEN 500,000 SQM OF RETAIL SPACE IN ROMANIA OVER NEXT FOUR YEARS

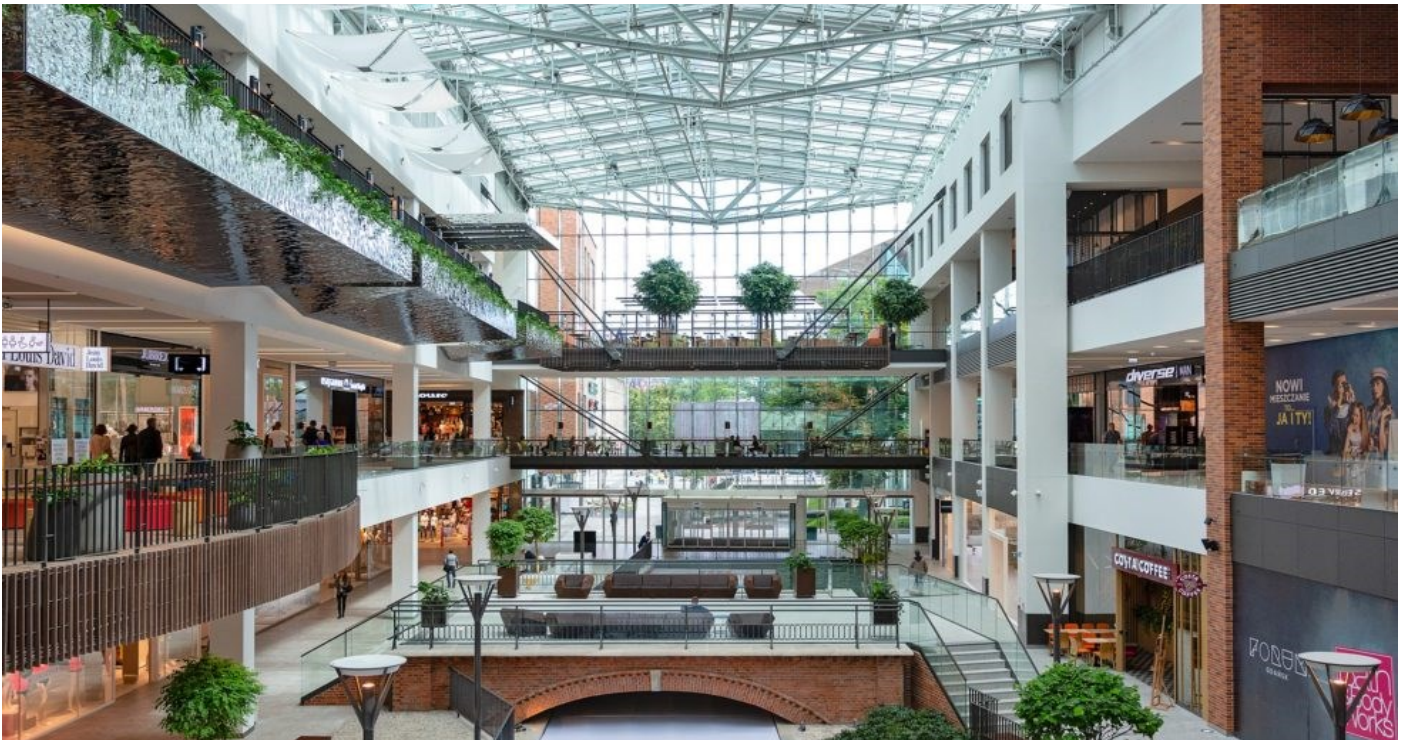


Real estate developers are expanding their investments in Romania, with half a million square meters destined for retail to be built over the next four years.

Almost all the developers active in the local retail market have announced ambitious investment plans for the next period, proving once again their confidence in this real estate segment.

Over half of that is currently in development in the Center-West region. The planned 270,000 square meters will add to the 1.4 million currently in use, maintaining the region's status as the most developed one in terms of retail space.

The East region of Romania amounts to 610,000 square meters in retail space at present, with 137,000 more planned, while the South is scheduled to reach roughly 1 million square meters with the new additions.



Reșița remains the largest city in Romania without a modern retail centre, followed by Giurgiu and Alexandria. However, the first two have projects in development that will rid them of their current unwanted status. Ten of the newly announced projects have a surface of over 10,000 square meters.

Only three cities in Romania – Suceava, Oradea, and Deva – have a ratio of 1,000 square meters of commercial space for every 1,000 inhabitants.

Tulcea and Călărași are on the other side of the spectrum, with under 100 square meters per thousand inhabitants, despite having higher average wages than the first three.

Cluj, Alba Iulia, Craiova, Iași, and even Bucharest also have a low retail space density relative to the median wage. The capital's District 1, the most affluent, has the highest density in the capital, with 799 square meters per 1,000 inhabitants.

Overall, Romania's total retail space reached 4.14 million square meters this year, with 1.26 million in Bucharest alone.

(Source: [www.romania-insider.com](http://www.romania-insider.com))

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These weeks we have the chance to support the future generations of engineers and Construction Managers, by welcoming the students at the International British School of Bucharest to the construction site of One Cotroceni Park project, during their Work Experience Week program. We hope we will manage to inspire them with at least a small part of our wonderful passion for the construction industry!

Between construction site visits and project management reports, some quality time together is indispensable for a truly united team. Thank you all for participating! We are so grateful to have you on our team!

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Building Trust together!  
Our LinkedIn community has reached over 5,000 followers!  
Thank you for being here for us!




Another great evening for the Vitalis team! We were once again recognized as one of the best in Romania at the Romanian Property Awards that took place during the launch Gala of the new Investing in Property magazine. Congratulations to the Best Construction Management team, without which all of these would not have been possible!

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