

# Bucharest Office Market Snapshot Q3 2021



# The Multiverse of Work

The talent-optimizing workplace is one that exists in more than one location.

[Read The Multiverse of Work](#)

y-o-y increase

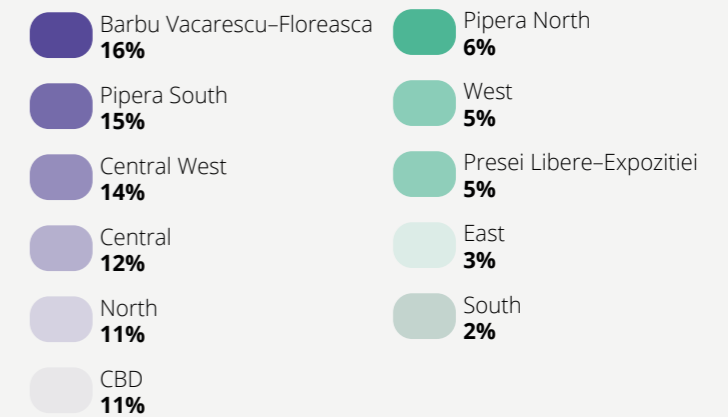
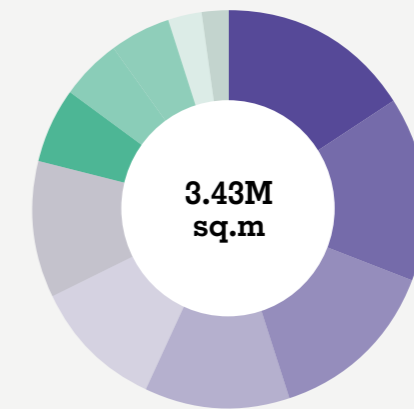
## Supply

With over 130,000 sq.m completed in the third quarter, Bucharest's modern office stock reached 3,43M sq.m. Due to completion of Globalworth Square, Barbu Vacarescu-Floreasca sub-market currently contributes with the largest office stock, followed by Pipera South & Central West.

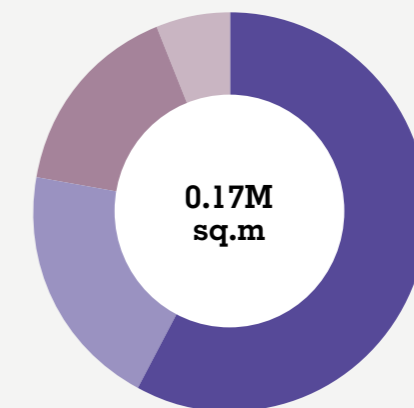
Worth mentioning the completion of J8 Office Park in North sub-market with a GLA slightly exceeding 46,000 sq.m, as well as the completion of an institutional grade project in the central southern half of the city, U-Center Phase 1.

For the remainder of the year additional 89,000 sq.m are currently in advanced stage of construction which will elevate 2021's office supply to ca. 290,000 sq.m.

Class A&B  
office stock distribution by submarkets



Office Pipeline 2022



**Selection of office completions Q3 2021  
& Pipeline Q4 2021**

| Developer      | Office Project     | GLA (sq.m) | Office Sub-market        | Delivery Date |
|----------------|--------------------|------------|--------------------------|---------------|
| Portland Trust | J8 Office Park     | 46,100     | North                    | Q3 2021       |
| Forte Partners | U Center Campus 1  | 32,800     | Central                  | Q3 2021       |
| Globalworth    | Globalworth Square | 29,100     | BV-Floreasca             | Q3 2021       |
| Atenor         | Dacia One          | 15,200     | Central                  | Q3 2021       |
| One United     | One Cotroceni Park | 45,000     | Central West             | Q4 2021       |
| Speedwell      | MIRO               | 22,800     | North                    | Q4 2021       |
| Atenor         | @expo              | 21,000     | Presei Libere-Expozitiei | Q4 2021       |

q-o-q increase

# Demand

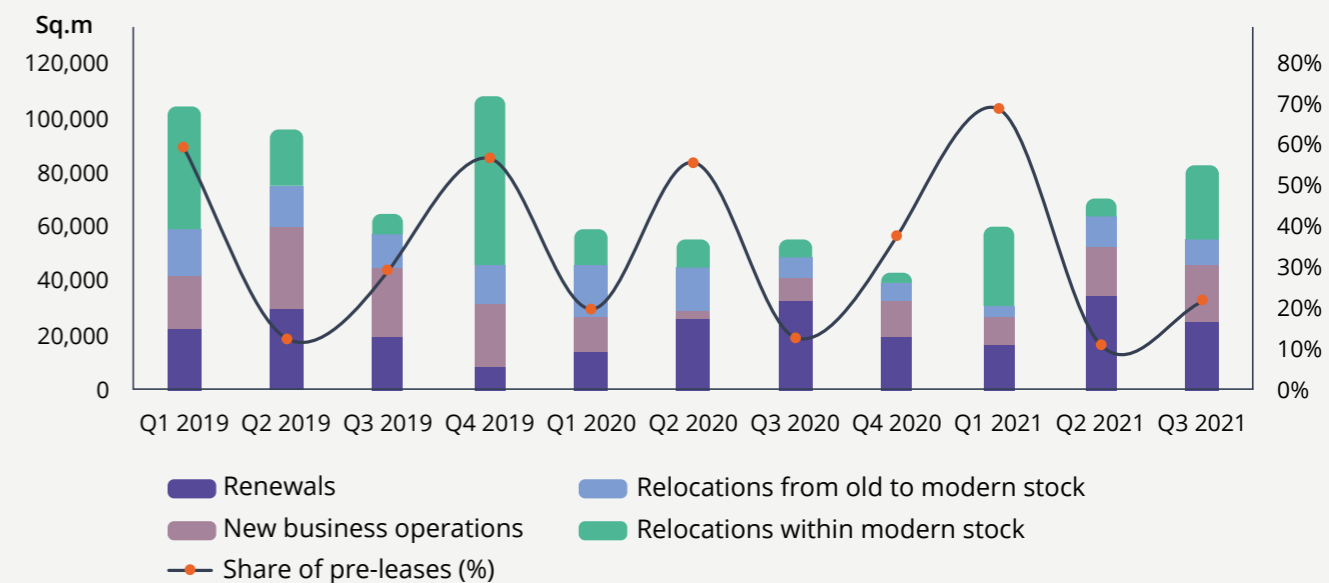
Total leasing activity reached 82,000 sq.m which represents 17% q-o-q increase. In Q3 pre-leasing activity captured ca. 22% from quarter's activity, while renewals contributed with about 30%.

Occupiers are constantly scrutinizing the market in the quest of securing the best commercial terms for their next lease cycles. The volatility of the office market persists, as majority of the occupiers are yet to return to their physical offices.

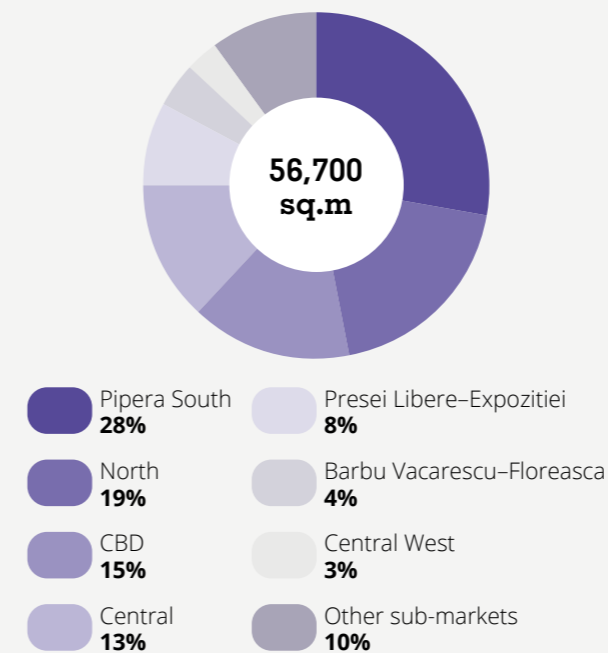
Northern locations are still in demand providing plenty of office accommodation opportunities. By far the largest lease was signed by Medicover (15,000 sq.m) for the reconversion of an office building into a private healthcare unit, followed by the pre-lease signed by Telekom in Atenor's @expo office project (4,500 sq.m).



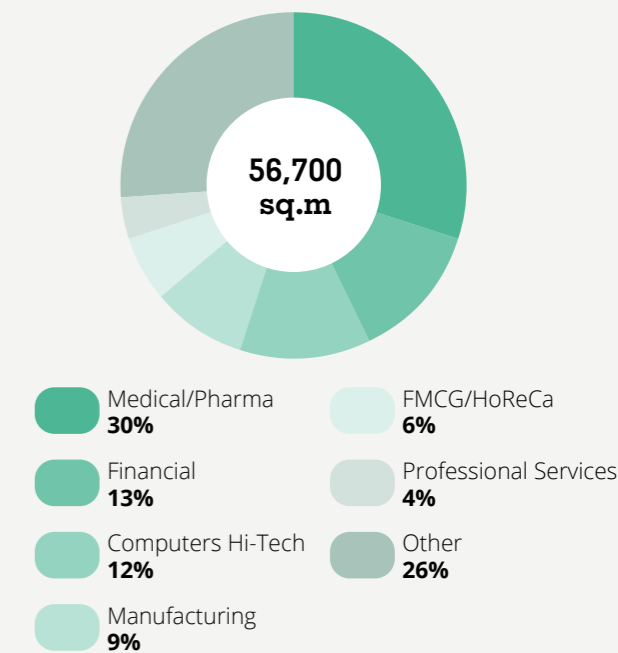
**Office leasing activity evolution Q1 2019 – Q3 2021**



**Net take-up by submarket Q3 2021**

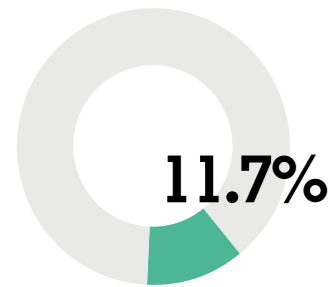


**Net take-up by business sector Q3 2021**



y-o-y increase

# Vacancy



11.7% Average Class A&B vacancy rate in Bucharest. Mild q-o-q increase of average vacancy rate in Bucharest.

stable

# Rents

Prime headline rent stands at 19 euro per sq.m per month and overall asking rents for class A office space located in Bucharest have remained relatively stable q-o-q.

Prime office rent has been stable for the past 10 quarters

# Forecast

Next year's pipeline is currently estimated at 166,000 sq.m. The largest pipeline is located in the Central West followed by Central and Presei Libere-Expozitiei sub-markets. To date ca. 30% of this pipeline is already pre-let.

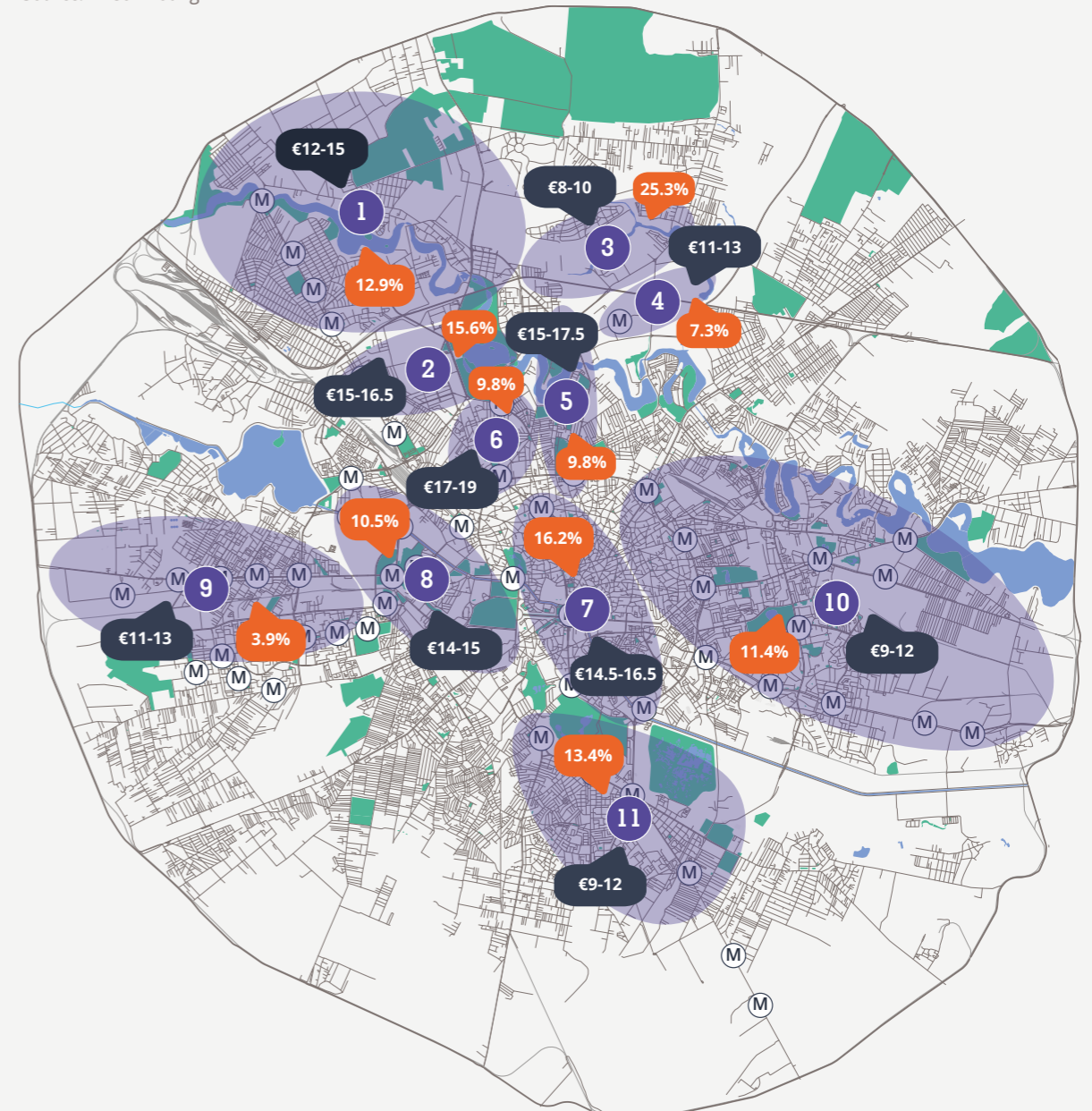
Moving forward, pre-leasing activity will further increase in 2022 for office projects about to start. For larger requirements it is advisable to engage well in advance with real estate professionals, as many projects might start on built-to-suit basis.

There is no single "one size fit all" solution. But employers who can distinguish the right answers for their organizations - and then execute a clear workplace strategy around them - will gain two key competitive advantages: They will succeed in recruiting the best talent, and then they will maximize their employees' effectiveness ("The Multiverse of Work", Avison Young research report).

The Multiverse of Work

## Headline rents & Vacancy rates for class A office space by submarket

Source: Avison Young



### Legend

- Headline Rent Class A (€/sq.m/month)
- Vacancy Rate Class A (%)
- Metro Station
- 1 North
- 2 Presei Libere-Expozitiei
- 3 North-Pipera
- 4 South-Pipera
- 5 Floreasca-BV
- 6 CBD
- 7 Central
- 8 Central West
- 9 West
- 10 East
- 11 South

## Our global presence

### Legal entities

|                |                     |
|----------------|---------------------|
| Canada         | France              |
| United States  | Czech Republic      |
| Mexico         | Hungary             |
| South Korea    | Poland              |
| South Africa   | Romania             |
| United Kingdom | Republic of Ireland |
| Israel         | Russia              |
| Austria        |                     |

### Planned entities 2021

Portugal  
Spain

## About us

Avison Young creates real economic, social and environmental value as a global real estate advisor, powered by people. As a private company, our clients collaborate with an empowered partner who is invested in their success. Our integrated talent realizes the full potential of real estate by using global intelligence platforms that provide clients with insights and advantage.

5,000

real estate  
professionals

17

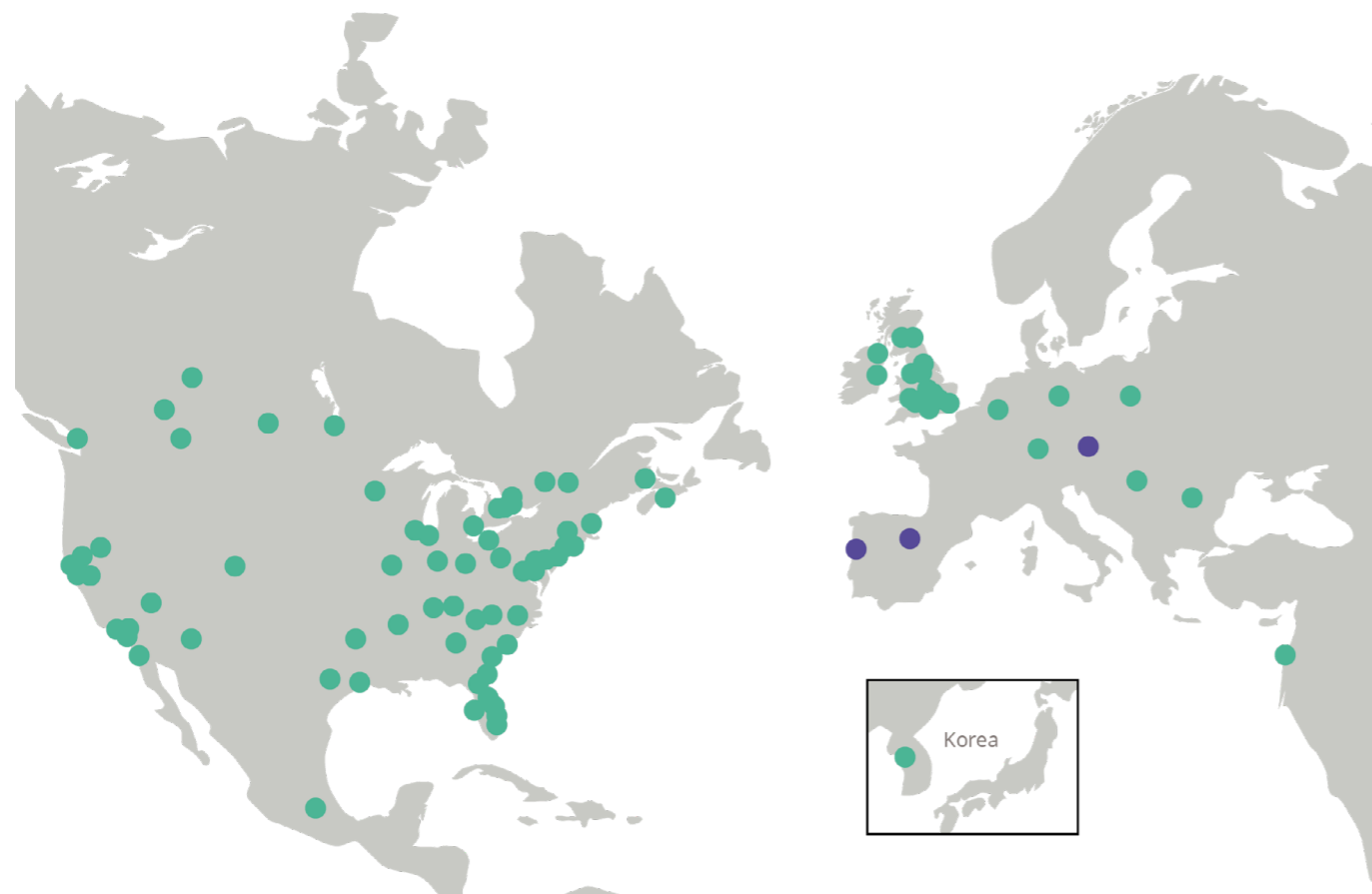
countries  
and growing...

100+

global  
offices

1978

founding  
year



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