

ICONIC BUILDING “MAGAZINUL BUCURESTI”- NEW PROJECT DEVELOPED BY VITALIS CONSULTING



Magazinelul Bucuresti is a reminder of the golden age, being one of the oldest and famous shops in Bucharest, the place where everything was found, from clothing and accessories, to camera photo, music instruments or household appliances.

Starting with 2018, Vitalis Consulting’s office portfolio will comprise a new major project being the first collaboration with the Beneficiary.

Magazinelul Bucuresti has a total surface area of 4.235 sq. m and is located at 36 I. C Bratianu Boulevard 3rd District, Bucharest.

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The building is included in the protected area no.04b the “Modernist” Magheru - Bratianu Boulevard.

Being located at 36 I. C Bratianu, it place the building in the center of Bucharest, 290 meters far from the nearest subway station Unirii Square and also within 500 meters from the University subway station.

The construction is made up of two different buildings, separated by one seismic joint and small compression, first building was built in 1929 and the other one in 1939.

It is proposed to perform consolidation - reconstruction works, new interior reconfiguration and partial remodeling of facades. Because of the position of the building in the protected area, the main facade of the building will be preserved.

This new collaboration for Vitalis is to provide Construction Management Services - Project & Cost Management, Site Management, as well as Site Inspection and Health & Safety Services.



Flora Popa

RETAIL MARKET OUTSIDE THE CITIES IN 2018



This year will accelerate the deliveries of commercial space to 200,000 sq. m, with new projects and extension being scheduled in ten medium and large cities in the country.

The stock of modern commercial spaces outside the capital reached 2.42 million sq. m, while the surface of the mall, retail parks and commercial galleries in Bucharest is 1.2 million sq. m.

In Bucharest, the highest density of commercial spaces is located in District 1, with a level of about 967 sq. m / 1000 inhabitants and in the following positions are District 6 with 842 sq. m/ 1000 inhabitants and District 3 with 704 sq. m/ 1000 inhabitants.

The cities with the highest density of commercial spaces remain Suceava-1.167 sq. m/ 1000 inhabitants and Oradea- 926 sq. m/1000 inhabitants, while in primary cities with a population of over 250.000 inhabitants varies between 380- Craiova and 694- Timisoara sq. m/1000 inhabitants.

In Romania, the cities that are scheduled to deliver new retail spaces during this year are Timisoara, Craiova, Bistrita, Sibiu, Buzau, etc., finalizing some of these project being conditioned by obtaining building permits in a timely manner.

Despite the fact that the average vacancy rate of Bucharest shopping centers fell from 4% to 3% last year, the retail stock will remain stable, putting pressure on the rents of the dominant commercial centers where the occupancy is of or close to 100%.

The retail market is at a mature and optimistic stage in which both developers and retailers are carefully analyzing cities and area with sales potential.

(Source: www.arenaconstruct.ro)

INCREASE OF LEED & BREEAM CERTIFIED OFFICE BUILDINGS

One of the trends outlined last year was that each new office building in development would be awarded a LEED or BREEAM certification for a better position in the market.

Projects with a 10 year or even older have begun the process of obtaining a certification for existing buildings in order to remain attractive to tenants, with certifications for buildings in use accounting for more than three-quarters of the market. The total number of existing LEED or BREEAM certified office projects has accounted for 1.3 million sq. m leasable, accounting for almost half of the total stock of modern facilities in Romania.

Developers focus more on the efficiency and long term sustainability of a building due to the benefits they gain from passing through the green certification process: reducing energy consumption, maintaining rental value at a competitive level or even better retention tenants.

The large number of developed office projects has led tenants to become more demanding in choosing a space, so owners are trying to differentiate themselves categorically from the competition and green certifications become so necessary for the success of a real estate project.

In 2017, 39 green certificates were awarded, compared to 29 in 2016, for real estate projects to be developed and for existing ones.

Of these, 24 (61%) were office buildings, lower than the previous year (80% of the total) due to the fact that the certification activity increased in the retail segment by 31% of the total certifications comparative with 18 in 2016.

At national level, real estate projects have grown as well as interest in green certifications granted to them.

While Bucharest has nearly 1.7 million sq. m of LEED or BREEAM certified buildings being in the top of the list, Cluj-Napoca ranks second with 500.000 sq. m followed by Timisoara with 445.000 sq. m.

By the end of this year or at the latest by 2019, the certified area in the regional cities will exceed the total area from the Capital.



(Source: www.wallstreet.ro)

2018- THE YEAR OF LOCAL RESIDENTIAL MARKET



Investor confidence in the local residential market is at the highest level in the modern market history and the share of the middle market units will increase to the highest level ever owned by the segment in the total number of dwellings, under construction in Bucharest and the surrounding area.

Over 20 residential projects would deliver at least 200 homes this year in Bucharest and its surroundings, being double the number compared to the situation registered in 2017.

The last three years have resulted in a significant increase in the number of middle market projects in Bucharest, for middle-income and medium-income people and characterized by a better semi-central location or near the big office centers, larger areas compared to old similar homes and finishes of higher quality.

If in 2015 about 17% of the residential projects developed in Bucharest and its surroundings were targeting the middle market segment, about 37% of the new offer developed in 2017 is addressing to the same segment.

2018 may be the year of maturing the local residential market, which is at a favorable moment when investors are trying to take full advantage: sales rhythms are good and demand for quality housing is high and solvent.

The largest share of units to be delivered in the market in 2018 is still addressed by the mass market segment. It represent about 51.5% of the offer, but the percentage was down 8% compared to the previous year, amid an increase in the number of middle-segment projects.

Most projects of this type are developed in the big districts of Bucharest or in the city's outskirts, where the general infrastructure is good and the access to points of interest (shopping centers, office, parks) in one relatively easy.

In 2018 there will also be a significant decrease in the number of low market residential units in the mass market segment to the lowest percentage so far - 6.8% compared to 18.2% in 2017 and 35% in 2014.

The western area of Bucharest will bring most of the year's housing deliveries, about 37.3%, while the northern area of the city will quantify 22.2% of completed dwellings.

Vitalis Consulting

175 Calea Floreasca Street,
Bucharest, Romania
T : +4 021 231 53 57/ 58
F : +4 021 231 53 59
office@vitalis.com
www.vitalis.com

Associated offices
UNITED KINGDOM
3 The Shrubberies, George
Lane, South Woodford,
London, E18 1BD
london.office@vitalis.com

UKRAINE
20 Tarasovskaya Street,
103 Office, 01033 Kiev
kiev.office@vitalis.com

MOLDAVIA
25 Banulescu Bodoni,
G. Street, Chisinau, MD- 2004
chisinau.office@vitalis.com

