

## BUILDING NEW PATHS TO EDUCATION: THE EXTENSION OF THE AMERICAN INTERNATIONAL SCHOOL OF BUCHAREST

The American International School of Bucharest LLC (AISB) is one of the oldest and most important international school in Bucharest, founded in 1962 to serve the educational needs of the American and expatriate community. Nowadays, as the school has grown, many local Romanian families have joined the community of more than 950 students from 60 nationalities.

The AISB buildings and sport complex is located at no. 196 Pipera-Tunari route, in Voluntari, Ilfov County, on a total area of 99,991 sq. m. and it benefits from all the

needed facilities for a modern educational institution, such as power supply, gas for the heating plant, sewage management, telephony.

Starting with September 2017, as a first collaboration with this Client, Vitalis was appointed to coordinate the construction works for the extension of AISB, consisting in the development of two new buildings of GF+2F+Attic, as well as to assure the exterior design of the institution. Moreover, consolidation and reconstruction works, new interior reconfiguration and remodelling facades will be performed for the existing building.

The new AISB buildings will offer fifteen new classrooms, two new laboratories and additional space for training, five new workrooms for teachers, a common hall and four additional bathrooms.

In terms of exterior design, Vitalis has managed the arrangement of two amphitheatres, two outdoor recreation areas and a café area designed for 11 and 12 grade students.

Within this project Vitalis was involved in both pre-construction and construction phase. In the pre-construction phase we provided Value Engineering, Budgeting, Program, Progress and Time Management services. In the construction phase, we offered Project and Cost Management services, as well as Site Inspection and Health and Safety Coordination. The project is currently under Testing stage, all the preparations being made for Commissioning.

The extension of AISB is an evidence of good and responsible leadership and Vitalis team is pleased to have the opportunity to bring educational standards to a new level through best services and improvements performed.



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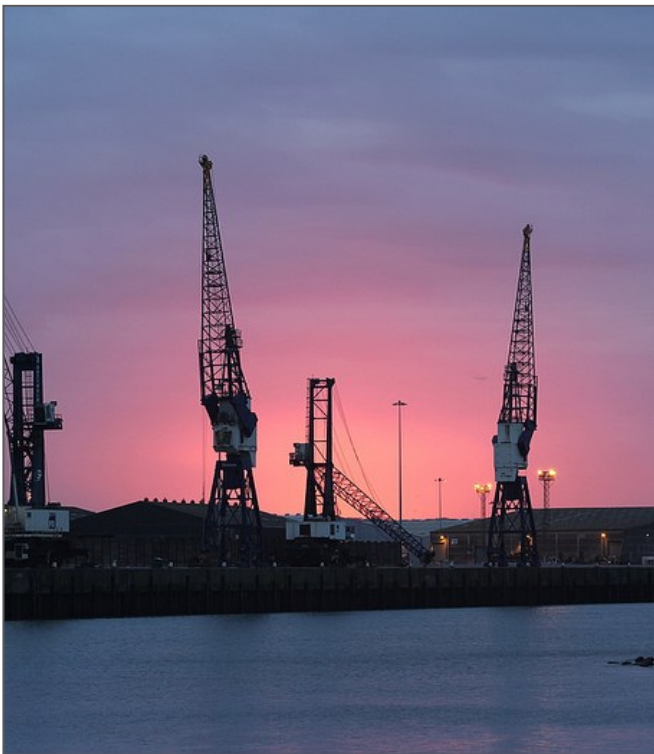
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*Flavia Popa*

## 90% OF INDUSTRIAL AND LOGISTICS STOCK IS CONDENSED IN CITIES WITH HIGHWAY ACCESS

Romania's industrial and logistics market is currently benefitting from its best period in history, both in terms of supply and demand, with development being condensed in a number of large cities with access to at least one highway that facilitates the transport and distribution of goods in a shorter time and with lower costs to a larger number of customers. The stock of industrial and logistics spaces in Romania reached 3.42 million square meters at the end of Q3 2018, almost 90% of which being located in Bucharest, Timisoara, Cluj-Napoca, Pitesti, Ploiesti, Sibiu, Arad, cities that have connections to the national highway network.

Other cities where modern logistics parks have been developed, but which do not have direct access to the high-speed road network, are Iasi, Ramnicu Valcea, Braila or Roman, where the projects are mostly built-to-suit, being made at the express request of an occupant.



Bucharest has a stock of more than 1.6 million square meters of storage space, accounting for 48% of the total national stock, the capital city being followed by Timisoara (440.000 sq. m), Cluj-Napoca (254.000 sq. m), Ploiesti (240.000 sq. m) and Pitesti (240,000 sq. m).

In the first nine months of the year, new spaces of 380,000 square meters were delivered, with developers being expected to complete another 200,000 square meters, a record level for the Romanian market.

Given that the occupancy rate is over 95% in most cities, the rental level continued to be stable, class A deposits being traded at between 3.5 and 4.25 euro/ sq. m/ month, the price being set depending on various criteria such as the occupancy moment, surface area or technical specifications.

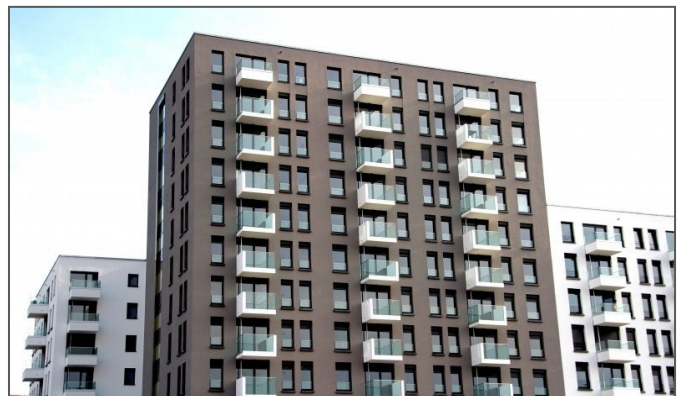
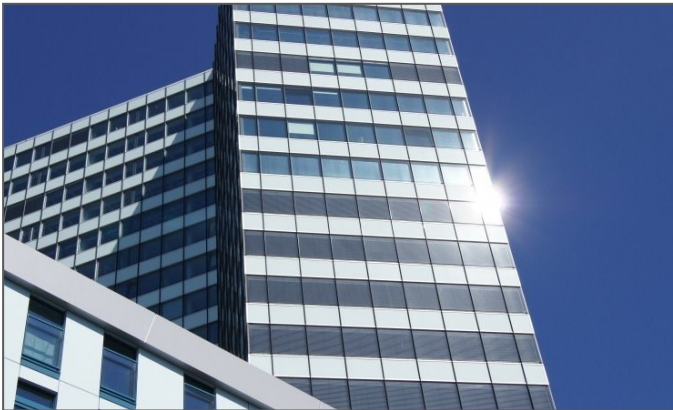
## REAL ESTATE TRANSACTIONS WILL REACH EUR 900 MLN BY THE END OF 2018

The value of signed real estate transactions in the first nine months of 2018 reached EUR 520 million, according to the real estate specialists. The value is estimated to EUR 800-900 mln by the end of 2018.

Bucharest remains the strongest market with 76 percent of the transactions. Office transactions covered 56 percent of total transactions, and 30 percent out of these were retail projects.

Developers are still looking for areas close to a Metro station and it's a risk to develop in areas like Expozitiei Boulevard, based on authorities promises to expand the subway network. Co-working is becoming more and more important.

The industrial market delivered 500,000 sq. m in 2018. Total demand for industrial space reached Q3 2018 to nearly 200,000 sq. m, and 58 percent of the total space demand was recorded in Bucharest, followed by Cluj and Timisoara.



The total stock of modern retail space reached approximately 3.1 million sq. m, resulting in a density of 151 sq. m/1,000 inhabitants. More than 1.1 million sq. m are built in Bucharest, Cluj-Napoca, Timisoara, Iasi, Sibiu and Constanta are the main beneficiaries of dominant projects outside Bucharest.

There are few expected transactions to be closed until the end of the year.

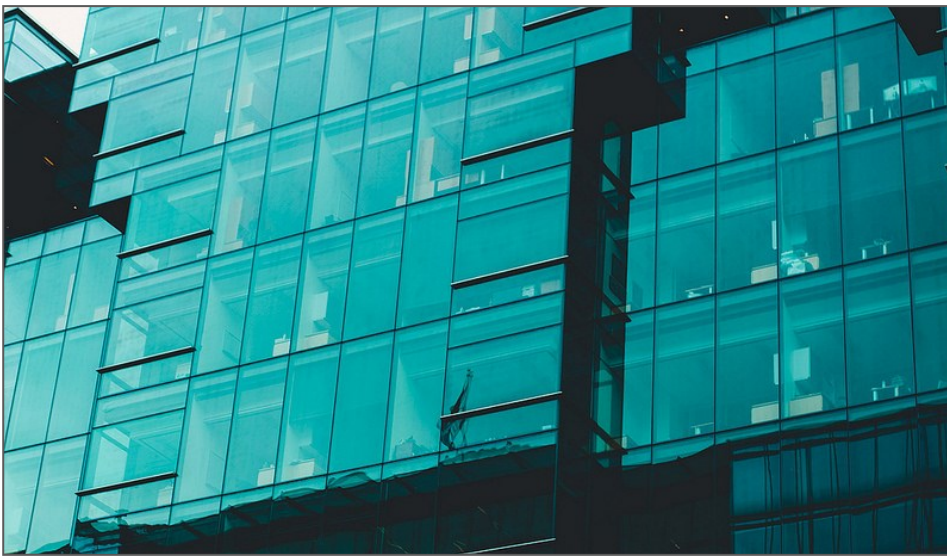
Transactions of more than EUR 50 million euros are about 3 office transactions in Bucharest, an industrial project, and a retail one in a secondary city and an office one the same.

The average value of a transaction this year is between EUR 30-40 million around the same compared with the next year.

# DEMAND FOR OFFICE SPACE IN BUCHAREST COOLS DOWN

Companies leased 73,500 sq. m of office space in Bucharest in the third quarter of this year, up 18% year-on-year, but most of this value comes from renegotiations and renewals.

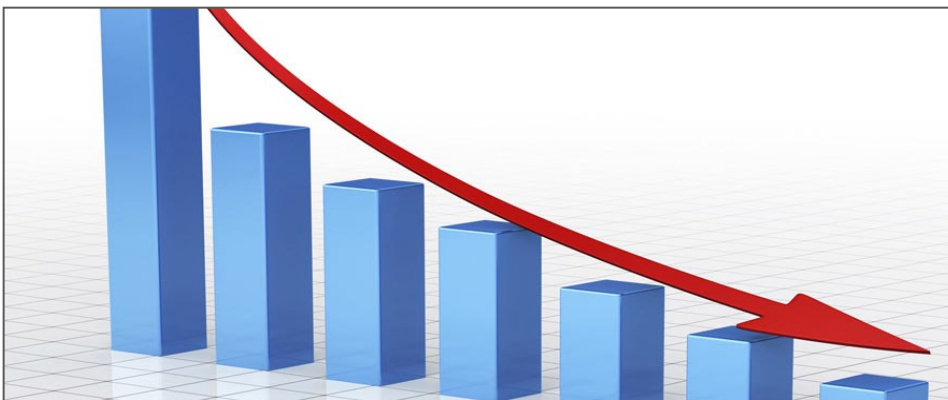
The new demand for office space was 20,400 sq. m, half compared to the same quarter of 2017, according to a market analysis. In the first nine months, the gross take-up was 223,100 sq. m, down 10% compared to the same period of last year, and the net demand was 103,700 sq. m, down by 18%.



Moreover, 20% of the new demand came from co-working space operators, adding to the sensation of sluggishness in the office market as this part of the new demand is not linked to employment growth.

By local standards, the labor market is at its tightest in the post-crisis cycle, but still has a lot of slack compared to regional peers, suggesting office stock can still expand in the long run, albeit at a slower pace, according to specialists.

On the supply side, deliveries of modern office space reached 83,000 sq. m in the third quarter after going down to only 33,000 sq. m in the first half of this year.



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

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