

## UTCB REWARDED VITALIS CONSULTING FOR PROMOTING YOUNG ENGINEERS

Technical University of Constructions Bucharest is a technical university for training the specialists with a higher level of training courses in civil engineering, instalations, mechanical/machinery and machines engineering, environment engineering, management and systems engineering.

The basic mission assumed by Technical University of Constructions Bucharest is that one of a national training center of new specialists generations and scientific research in building and constructions.

Technical University of Constructions Bucharest is the one which follows up “The School of Roads and Bridges” (as an university), established in 1851 in Bucharest.

Starting by 1994 -1995, The Institute of Constructions became Technical University of Constructions Bucharest. Institutional evaluations of ARACIS granted each time the “ Higher level of Trust” for UTCB.

August meant for Vitalis Consulting another reason for celebration.

University of Civil, Industrial and Agricultural Constructions (UTCB) granted to Vitalis Consulting an appreciation certificate for guidance the students during the internship of 2017-2018. This certificate offers to our company a plus of value and authenticity, another reason of trust in our employed people. The effort and the opening of Vitalis Consulting in supporting the training of young engineers, are valued and considered a great help for the students of UTCB University, who especially appreciated the activity and the guidance they received during the training at Vitalis Consulting.



The willingness to cooperate on future times for organizing the training course for the next academic year is already shown, fact which for Vitalis Consulting represents an occasion of gratitude and confidence in their own human resources and the professional possibilities they build.

UTCB considers the involvement of construction industry in educational sector and promoting the constructor engineer job, very determinant in preparing the human resource, needed to develop this industrial sector.

Vitalis Consulting always comes to support people with a great value and potential and also, reveals the human resource interested in building sector.

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*Flavia Popa*

## BUILDINGS IN THE SECOND QUARTER OF 2018

In the second quarter of 2018, 12,742 dwellings were put into service, minus 231 dwellings compared to the second quarter of 2017.

In the first half of 2018, 23,015 dwellings were put into service, minus 42 homes compared to the first semester of last year.

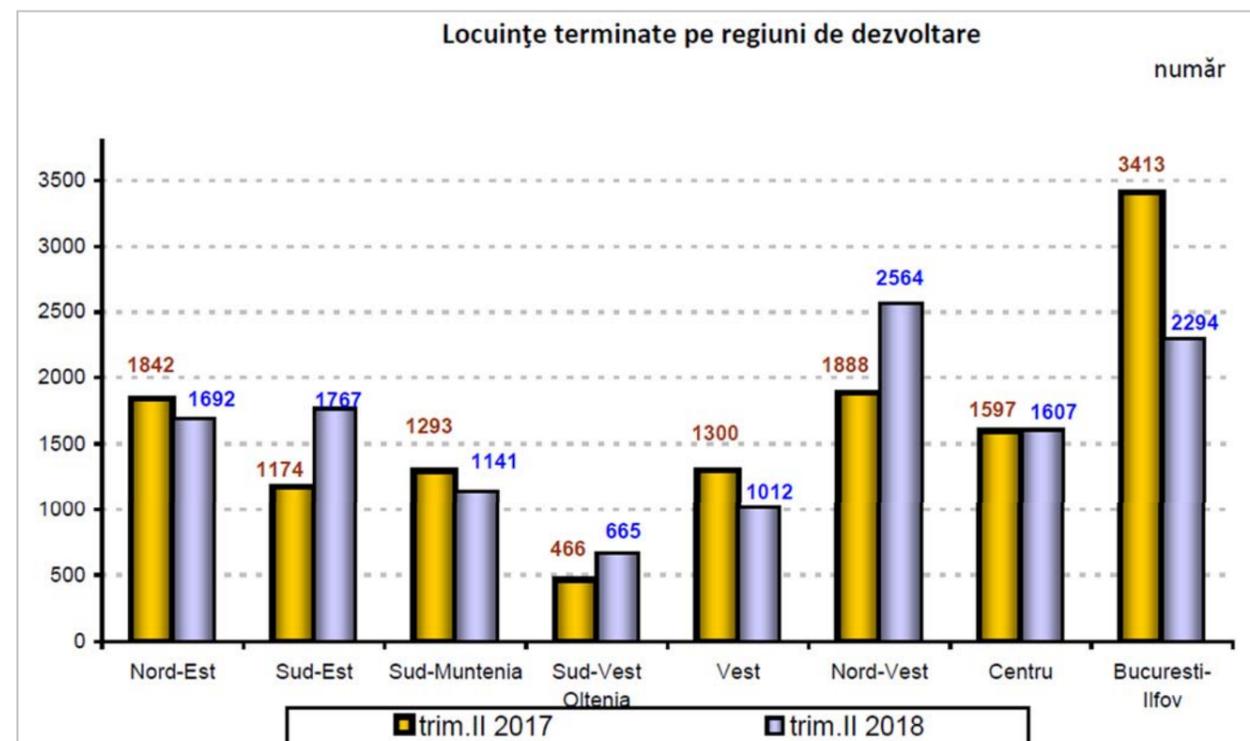
By residence area, in the second quarter of 2018, most dwellings were built in the urban area (54.8%).

The distribution on end-of-home financing funds reveals that in the second quarter of 2018, compared to the second quarter of last year, the number of dwellings terminated from private funds increased by 94 and that of public funds decreased by 325 dwellings.

The regional distribution shows a decrease in the number of completed dwellings (-231 dwellings), registered in the following development regions: Bucharest-Ilfov (-1119 dwellings), West (-288), South-Muntenia (-152) (-150). Growth occurred in the following development regions: Northwest (+676 dwellings), South East (+593), South West Oltenia (+199) and Center (+10).

In the first half of 2018, most of the dwellings were put into use in urban areas, counting 55.2% of the total. The distribution by financing sources of completed dwellings reveals that in the first half of 2018, compared to the first half of 2017, the number of dwellings made from private funds increased by 401 dwellings and the number of dwellings made from public funds decreased by 443 dwellings.

The regional distribution shows a decrease in the number of completed dwellings in the following development regions: Bucharest-Ilfov (-1008 dwellings), North-East (-558) and Center (-293). An increase in the number of completed dwellings was registered in the developed areas: Northwest (+1000 dwellings), Southeast (+377), West (+300), South-Muntenia (+114) and Southwest Oltenia (+ 26).



(Source: [www.insse.ro](http://www.insse.ro))

## OCCUPANCY VACANCY RATE – AT THE MINIMUM OF THE LAST 9 YEARS

The vacancy rate in office space reached the minimum of the past nine years, standing at 8%, and the modern office space stock in Bucharest reached 2.79 million square meters. In the first semester of this year, 149,000 square meters of such spaces were traded. In terms of deliveries, the first part of the year registered a relatively slow pace, with 28,000 sq m completed and put into use, but agency estimates for the second half of the year are optimistic: 158,000 sq m are under construction and will be finished by end of the year. Of the total office space stock, 47% are in Class A buildings.

Out of the 149,000 sqm trades in the first half of this year, 80 % are in Class A office buildings. About 20 per cent of the transaction type is represented by renewals and renegotiations, and the remaining 80 % divides between new claims (15%), relocations (22%), pre-rentals (36%) and expansions (7%).

The ranking of the largest rental transactions, which mark the office space market in the first half of 2018, covers areas ranging from 12,000 sqm to 3,000 sqm, occupied by major companies, in areas such as industrial production and energy, IT, co-working or retail.

In the first six months of the year, the office space segment recorded the biggest demand from IT companies (27%), followed by major players in the industrial and energy sector (26%), business services (17%), retail (17%) and financial (6%).

The most active areas, in terms of rental activity, were the western area (36% of the total rental volume), the central area (24%) and the northern area (16%). In the second half of the year, 62% of the 158,000 square meters scheduled for completion will be delivered to the West, and 38% to the center and CBD.

About 70% of the office space that is announced for the second half of 2018 has already been pre-leased.



(Source: [www.constructiibursa.ro](http://www.constructiibursa.ro))

# HOW COULD REAL ESTATE MARKET EVOLVE OR DEVELOP ?



All real estate segments have the chance to improve over the next ten years in terms of quantity (traded / leased areas) and qualitative (investments).

Romania should continue to grow itself, because it still benefits of one of the biggest differences between the work productivity and labor costs in Eastern Europe.

The stock of modern offices will double by the end of the next decade, from about 3 million sq m, because both regional cities and Bucharest appear to be significantly poor developed, related to population, compared to the developed countries and also to all the neighbor countries.

For industrial market, real estate consultants expect the current stock of 3.8 million square meters to extend to over 7 million square meters by the beginning of 2030. As for the retail sector, Bucharest could support several other projects over the next decade (at least one dominant shopping center), the stock for person being still a little lower than the stock of the others capitals in Central and Eastern Europe.

However, the largest increase will, come from other parts of the country, including from small towns. In Bucharest, the office market developed massively in past years, construction activity has intensified over the past year on the basis of favorable economic results, making a possible overload in the delivery timetable (over 0.7 million square meters are scheduled for the period 2019-2020 ).

Like the office market, the stock of industrial space has grown massively during the pre-crisis period (almost 3 times 2007-2008, at 0.9 million sq m near Bucharest). At the end of 2006, the modern retail stock was 360,000 square meters at national level; until the beginning of the recession period, rose 4.6 times.

Residential properties represented in Romania one of the most relevant barometers for the general feeling.

Nowadays, although over 400,000 apartments or new homes were built between 2009 and 2017, real estate remains almost 40% lower than before the crisis. While in 2007-2008 residential properties in Romania were some of the most overvalued in the EU, the economic models of the European Central Bank now show Romanian properties among the most under-rated in the EU.

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