

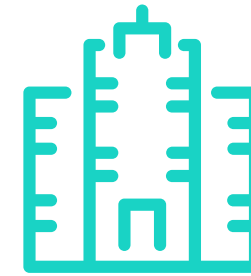
In a Nutshell

Bucharest Office Market 2024 • Q4





KEY FIGURES



4.1 mil. sqm

TOTAL OFFICE STOCK



TREND



13.5%

VACANCY RATE



TREND



16,000 sqm

NEW OFFICE SUPPLY
Q4 2024



TREND

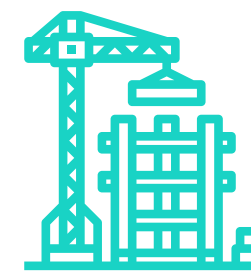


€20.5/sqm/mth

PRIME OFFICE RENT



TREND



7,000 sqm

UNDER
CONSTRUCTION 2025

↓ **43%**

TREND



8%

YIELDS



TREND

DEMAND

TOTAL WITH
RENEWALS

112,283 sqm

TOTAL WITHOUT
RENEWALS

57,318 sqm

NEW DEMAND

2,330 sqm

PRE-LEASE

2,000 sqm

• Take-up totaled 57,318 sqm in Q4 2024. This was 64% more than in the previous quarter and up to 26% more than the average quarterly take-up.

• For 2024, the volume of take-up transactions for all four quarters was 180 585 m2. This volume of new lettings is 13% lower than in 2023.

IN A NUTSHELL

In the last quarter of 2024, the volume of take-up transactions accumulated increased compared to the previous quarters. Despite this faster speed at the end of the year, the overall volume of new lettings was 13% lower than in 2023.

The largest take-up transaction was the lease of a 6,200 sqm space, by Publicis, in the Europe House building.

Renewals transactions totalled 58,465 sqm. The largest prolongs transaction was carried out by IBM, with an area of 6,000 sqm in The Bridge building.

Just one office building - AFI Loft, with an area of 16,000 sqm was put into use, the only delivery from 2024.

Growing interest in office investments

In Q4 2024, the share of the value of investments in the Capital is 39% of the total registered at the country level.

On the office segment, 2 transactions were concluded, IPA Floreasca (8,400 sqm) and Muntenia Business Center (9,750 sqm), both older and smaller buildings.

In total, in Bucharest, in all 2024 year, investors bought 9 office buildings, with a cumulative value of 168.7 million euros.

DEMAND

The largest amount of office space was taken by companies in the IT&C sector (55%). The second largest sector in terms of the proportion of tenants from the same sector is Professional Services, followed by FMCG.

The net take-up totaled 57,318 sqm in Q4 2024, up to 64% by the Q3 2024.

The companies signing, starting or renewing new contracts include OLX, Multinode, Solenis, IBM.

2024 in figures

Genpact's renewal of 29,104 sqm at Hermes Business Park was the largest lease of the year.

the volume of net take-up transactions for all four quarters was 180 585 m2. This volume of new lettings is 13% lower than in 2023.

In total, since the beginning of the year, in the all four quarters, offices with a total area of 360,201 sqm have been leased, including take-up and renewal transactions.

In 2024, fewer new offices were rented, as a result of the drastic drop in deliveries.

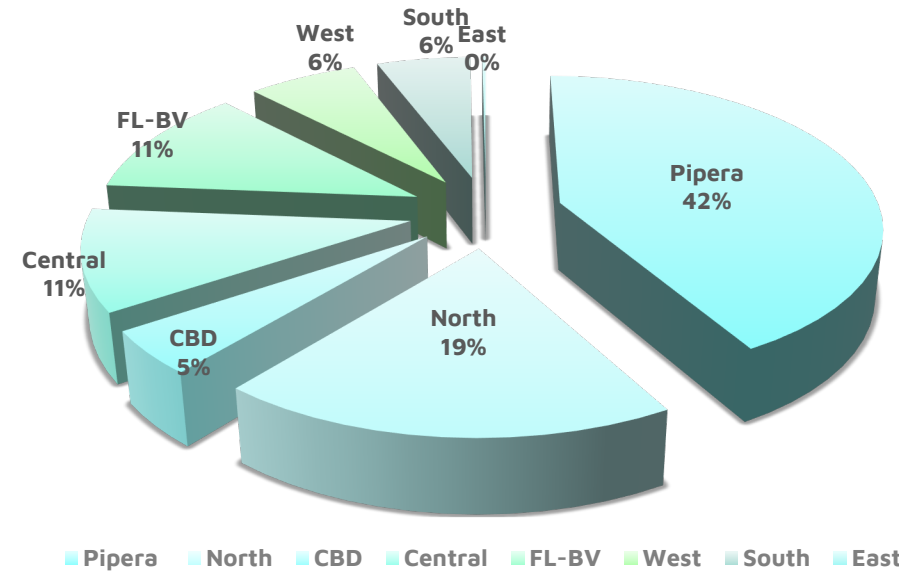
THE TENANTS PREFERRES METRO

The Pipera area, in the city, around the metro station with the same name has accumulated the largest area of rented office spaces. Signing major renewals in existing space was the main driver of this performance.

The northern area was the second in the top, being preferred by companies that relocated their headquarters.

The Central Business District (CBD) and the Central Area have also attracted a significant number of companies looking to upgrade their current office space or to consolidate their head office.

BUCHAREST OFFICE DEMAND BY SUBMARKETS, Q4 2024

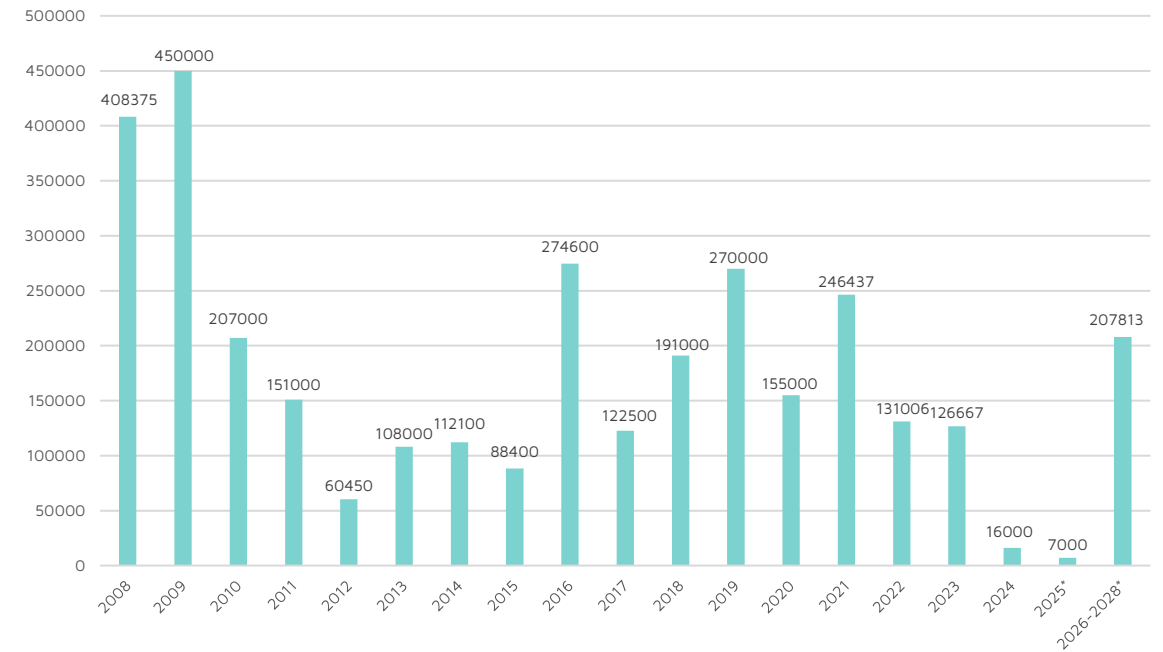


SUPPLY

Only one office building was delivered in 2024, in the last quarter: AFI LOFT, GLA 16,000 sqm is an unique boutique A-class office project developed on top of AFI Cotroceni mall, the largest shopping center in Romania, spread on approximately 90,000 sqm GLA and having almost 350 international and national brands, an indoor skating area, IMAX cinema, fitness gym and a generous & diverse food court.

Conversely, some companies have reassessed their space requirements, resulting in several existing office buildings coming onto the market with offices in the process of being vacated. Such spaces can be occupied immediately and often have more advantageous rents than those of the office buildings in the pipeline.

ANNUAL OFFICE SUPPLY 2008-2028F



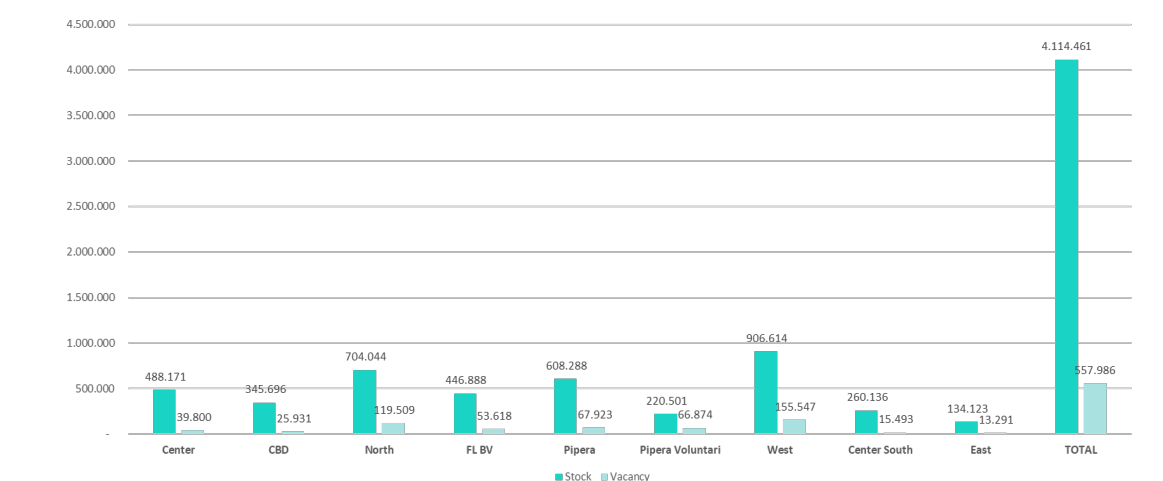
Almost all office development has been on hold. In 2025, only one office building will be put into use, in the Ford Gallery project, with an area of only 7,000 sqm.

In 2026 only the next phase of the Timpuri Noi Square complex and a few small boutique office buildings are likely to be developed.

So, for 2027-2028, several projects have been announced, but there are still no firm delivery deadlines.

Vacancy Rate The vacancy rate for modern office space in Bucharest remained at 13.5%, the same as in Q3 2014.

STOCK AND VACANCY Q4 2024 (sqm)



ROMANIA INVESTMENT MARKET

Romania's property investments totalled EUR 247.6 million in Q3, 24% more than in the previous quarter.

In Q3 2024, four office buildings were the subject of transactions, with a total of EUR 136.2 million.

The biggest office transaction: Vectr Realty bought The Landmark office building, with EUR 70-80 million.

The biggest Romanian transaction came from the industrial sector: WDP purchased 3 industrial parks, covers an area of 136,000 sqm. The value of the transaction is currently confidential and is estimated at EUR 110 million.

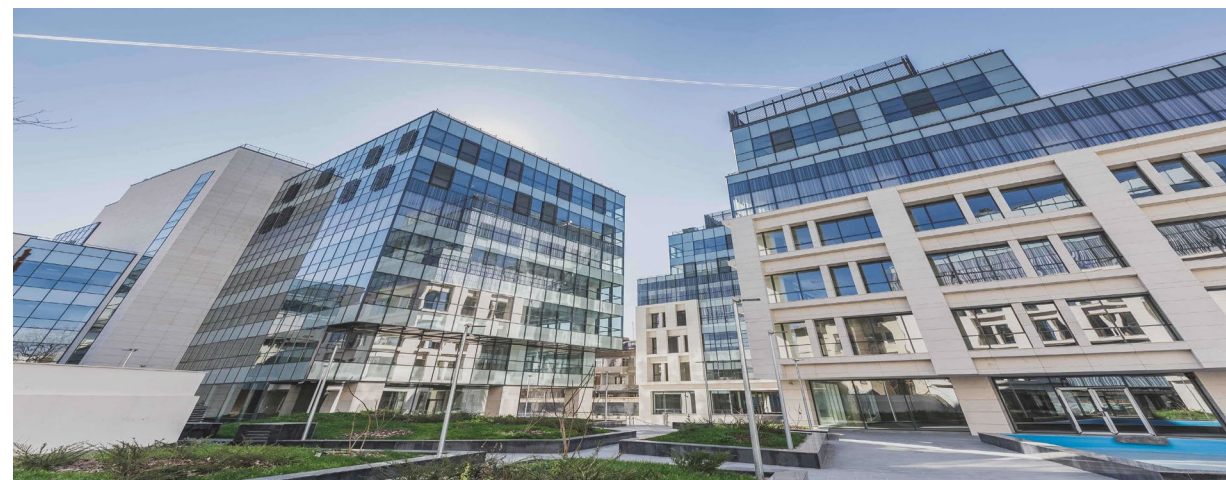
In 2024, real estate investments in Romania totaled EUR 728 million, 27 transactions were concluded, representing an investment volume 22% higher than that invested in all of 2023.

BUCHAREST INVESTMENT MARKET

In Q4 2024, Bucharest, 3 transactions were concluded with a total value of EUR 29.5 million. On the office segment, 2 transactions were concluded, IPA Floreasca (8,400 sqm) and Muntenia Business Center (9,750 sqm).

In all 2024 year, the biggest **office transaction** was the purchase by Vectr Realty of **The Landmark** office building for an amount estimated around EUR 70 million.

Photo: The Landmark



INVESTMENTS TOP SECTORS 2024

SECTOR	Value Q1 2024 (mil. EUR)	Value Q2 2024 (mil. EUR)	Value Q3 2024 (mil. EUR)	Value Q4 2024 (mil. EUR)
INDUSTRIAL	12.8	168	110	0
RETAIL	138.5	25	1.4	31
HOTEL	44	6	0	19.3
OFFICE	10.5	0	136.2	25.2
Total (mil. EUR)	205.8	199	247.6	75.5

Q4 2024 is an example of the resilience and adaptability of Romanian real estate, with opportunities in the office, industrial and retail sectors.

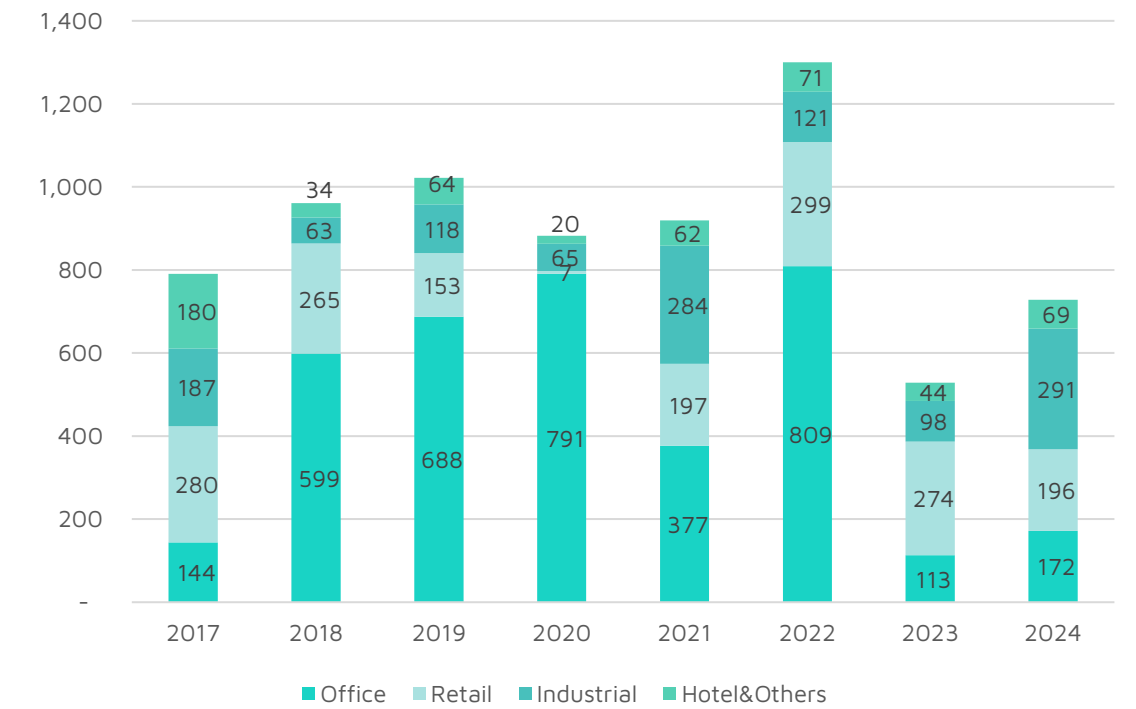
INTEREST RATES & MARKET SENTIMENTS

Given the current global financial landscape, where most investment markets are experiencing a downturn, this is a remarkable achievement for the Romanian market, marking new record highs.

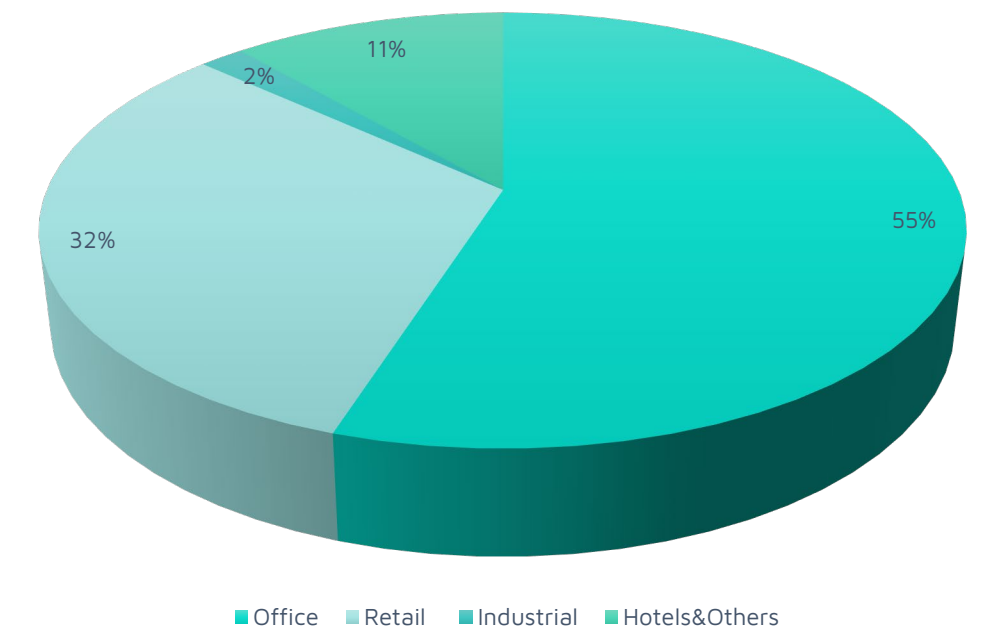
Romania has demonstrated greater resilience compared to Western European markets in terms of yields and transaction volumes.

We have also observed a resurgence in office property transactions in recent months, particularly in projects that have proven their resilience and strong performance over the challenging past few years. This trend is expected to continue, especially considering the limited availability of new office space in Bucharest due to permitting issues.

ROMANIAN INVESTMENTS (MIL EUR)



BUCHAREST INVESTMENTS MARKET BY SECTORS, IN 2024



VALUATION SERVICES

Our team of experts provide comprehensive commercial real estate valuation across Romania, focusing on understanding the value of our clients' assets, to help them make informed decisions.

We provide a complete range of valuation services for each type of asset and for various purposes, such as:

- » Loan purposes
- » Financial statements
- » Acquisitions & disposals
- » Investment/development projects
- » Restructuring & Recovery

We act on behalf of financial institutions, developers, investment funds and private individuals to enhance their properties. Our assignments include both single units and portfolio valuations across all asset's types.

- » Valuation reports in line with national standards (Romania - ANEVAR)
- » Valuation reports in line with international standards (Red Book, IVS, EVS)
- » Mortgage lending valuations
- » Valuations for accounting purposes (IFRS)
- » Portfolio valuations for transaction purposes
- » Asset valuation for investment purpose
- » Asset valuation for tax purpose
- » Asset valuation to support the client in preparation of the transfer file
- » Provide professional advice to clients and contribute to fee, billing and profit targets
- » Deliver client service and significant value added relating to property valuation throughout Romania



TRACK RECORD | VALUATION SERVICES BY ASSETS CLASSES

» AGRICULTURAL LAND

ON BEHALF OF

Iragri
Bank of Cyprus
Hellenic Bank
ALS
GED Capital

» OFFICES

ON BEHALF OF

Bluehouse
Aberdeen
Banca Românească
Portland Trust
Danube Property Fund
First Property
Veneto Banca

» RESIDENTIAL UNITS

ON BEHALF OF

AXA Life Insurance
Millenium Bank Portfolio
BNP Paribas Leasing
Veneto Banca
NCH
Kredyt Inkaso

» WAREHOUSES

ON BEHALF OF

Pepsico
Credit Agricole Bank
GLS (Royal Mail)
Felix Development
OTP Bank
ING
Dacia - Renault

OUR TRACK RECORD

It's more than experience, it's about the results we deliver.

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ON BEHALF OF

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Hypo Noe
Bancpost
Aberdeen
Arabesque
Carrefour

» BUILDABLE LANDS

ON BEHALF OF

MOL Romania
Deutsche Pfandbriefbank
Secure Management
Ibertruck
Panattoni EURpe
Vinci Energies
Heineken Romania



Edy Logistics



Bluehouse Portfolio



Carrefour Romania



Veranda Mall

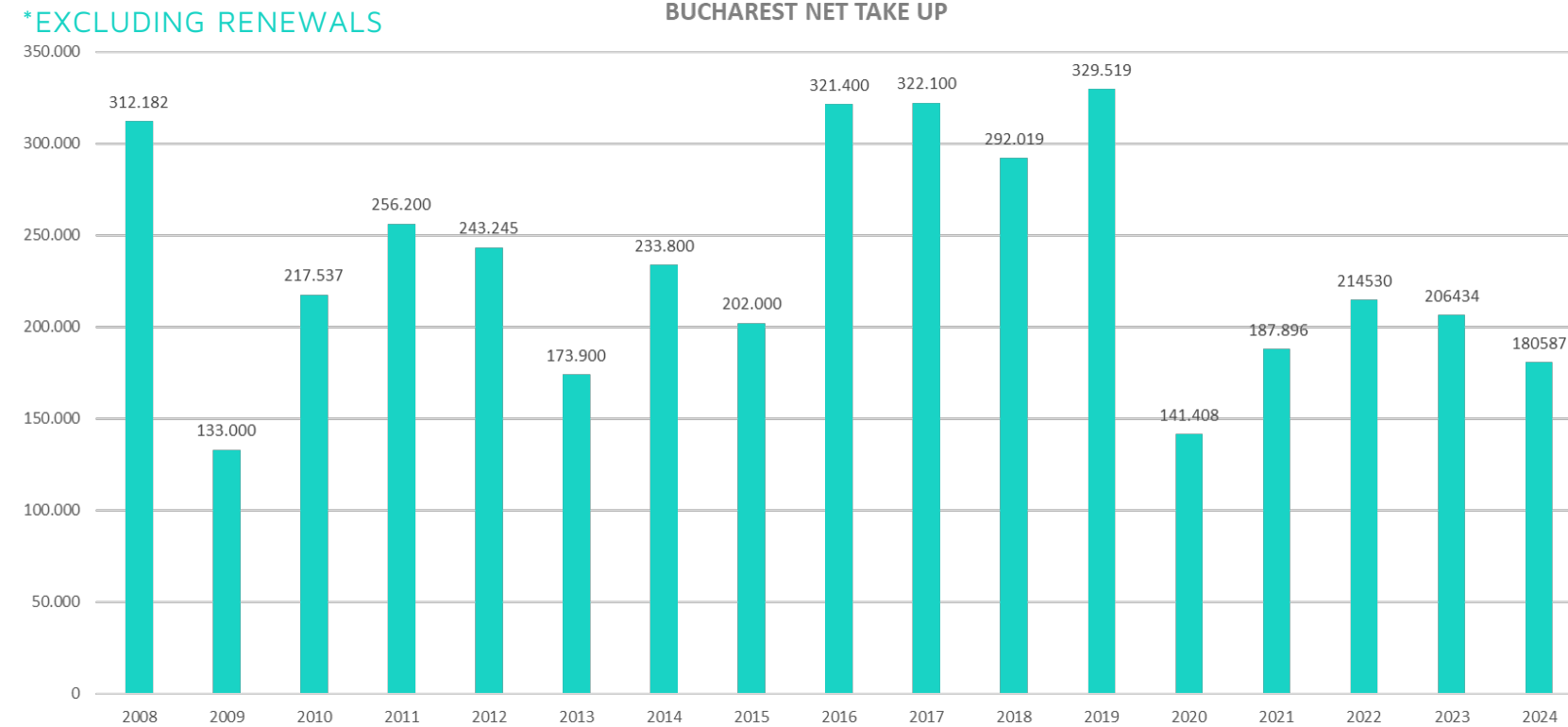


Liberty Center



Iris Titan

OFFICE NET TAKEUP 2008-2024



CONTACTS

Costin Nistor

Managing Director
Romania
costin.nistor@fortim.ro

Nicolae Ciobanu

Managing Partner
Head of Advisory
nicolae.ciobanu@fortim.ro

Bogdan Cange

Managing Partner
Business Development
bogdan.cange@fortim.ro

Daniel Mitu

Senior Consultant
Office Agency
Daniel.mitu@fortim.ro

Ștefan Oană

Head of Capital Markets
Romania
stefan.oana@fortim.ro

Maria Neda

Deputy Head PR & Research
Romania
maria.neda@fortim.ro

Bianca Batin

Consultant
Office Agency
bianca.batin@fortim.ro

Alexandru Gliga

Senior Valuer
Mobile: +40 720 043 141
valuation@fortim.ro

FORTIM TRUSTED ADVISORS SA

America House Office Building, Bld. Nicolae Titulescu 4-8,
West Wing, 2nd Floor, District 1, Bucharest.

Tel: +40 21 312 70 00 Fax: +40 21 312 70 01;

office@fortim.ro / www.fortim.ro / [linkedin.com/company/fortim-trusted-advisors/](https://www.linkedin.com/company/fortim-trusted-advisors/)

SELECTION OF MAIN LEASES CONCLUDED IN Q4 2024

TENANT	BUILDING	LEASED AREA (SQM)	TYPE OF TRANSACTION	GEOGRAPHICAL AREA
Vodafone	Globalworth Tower	12,500	Renewal	FL-BV
Pragmatic Play	Afi Tech Park 2	12,200	Renewal	West
Publicis Group	Europe House	6,200	New Lease	CBD
IBM	The Bridge 3	6,000	Renewal	West
Confidential	Europe House	6,000	New Lease	CBD
Hewlett Packard Enterprise	Yunity Park F	5,650	Renewal	Pipera
1 & 1	Sky Tower	3,471	Renewal	FL-BV
Confidential (CrowdStrike)	America House	2,660	New Lease	CBD
Teva	The Grand (Mariott)	2,500	Renewal	West
Open Text	BOC Office	2,488	New Lease	Pipera



OMV PETROM CITY BUILDING