

ROMANIA

# OFFICE DESTINATIONS

REPORT

2022 Analysis

CBRE Research



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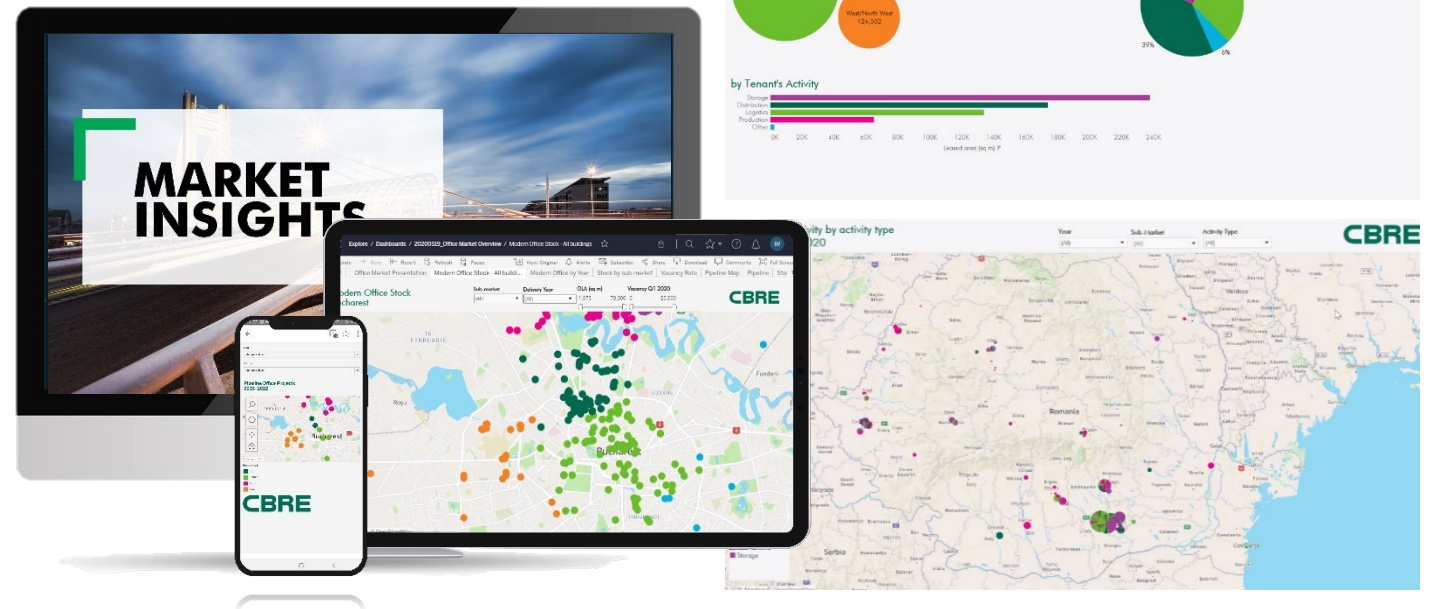


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A high-angle, top-down photograph of a woman with long dark hair, wearing a white long-sleeved shirt, sitting in a black office chair and working on a silver laptop. The desk is a light-colored, curved wooden surface. On the desk, there is a smartphone, a spiral-bound notebook, and a small, round, white desk lamp that is turned on. To the right of the desk, there is a potted plant with green leaves. The floor is made of dark grey tiles.

# Traditional vs Hybrid

## Where To Work From

An online survey conducted by CBRE Romania in the last half of April revealed:

**60%** of the respondents want to work in the office, the traditional way

**40%** prefer to continue working from home or in a hybrid system

Source: CBRE Research



# Traditional vs Hybrid Survey

## Why Hybrid



### Time lost in traffic

35% of respondents consider that they lose too much time in road traffic to the office and back;



### Additional expenses for transportation, food and clothing

21% of survey participants are not willing to invest in transportation, food and clothing suitable for the office;



### They fail to effectively combine personal and professional life

16% of employees prefer to work from home to spend more time with their loved ones;



### Finding a parking space

11% of respondents said that the difficulty of finding a parking space leads to the reluctance to go to the office;

In addition to the arguments stated above, respondents mention among the reasons the lack of dining options near the office (over 6%), as well as the relocation away from it or even outside the city during the pandemic (3%).

## Why Traditional



### First-hand knowledge

36% of respondents want to be up to date with information that helps them in their career or in completing tasks;



### Social time

33% consider discussions with colleagues a strong argument for why employees should return to the office;



### Dedicated workspace

13% stated that the lack of space at home was in favor of working from the office;



### Reduced utilities cost

5% of employees also thought about reducing utility costs when they voted to return to the office.



## Traditional, but with a twist...

Those who want to return to the office, however, have a number of expectations when it comes to arranging the workspace at the company's headquarters:



**Outdoor spaces arranged** so that employees can **work from outside** matter to more than 25% of employees;



Also very important are the **fixed offices** that offer employees the opportunity to arrange them how they like (20%);



**A headquarters that has several terraces** counts for 16% of employees, and 15% of respondents consider spaces important for each department;

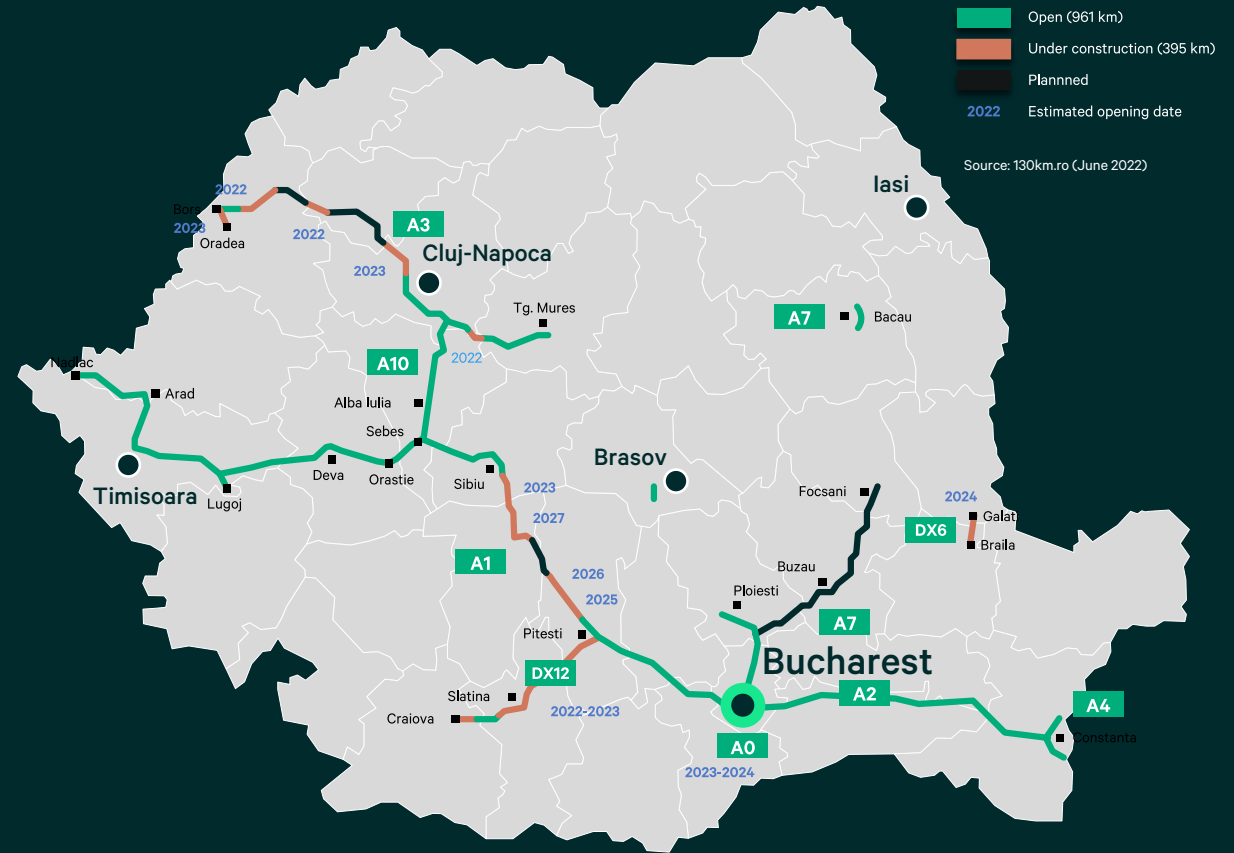


Over 7% of employees also want **an office/workspace reservation system**.

01

# Bucharest

The capital city and the largest city in the country, Romania's economic, political and educational hub, Bucharest also hosts the largest modern office stock at national level.



# Info sheet - Bucharest

## County Stats <sup>1</sup>

2,161,842	5.1%	5.1%	35,623	1,069
Population, by domicile	Unemployment Rate	GDP real growth yoy	GDP per capita (EUR)	Average net monthly wage (EUR)

## Average Wage <sup>2</sup>

Sector	Role	Monthly Gross Salary min (EUR)	Monthly Gross Salary max (EUR)
F&A	GL senior accountant	1,600	2,300
F&A	AP/AR senior accountant	1,300	1,860
Customer Services & HR	CS specialist CS team leader	1,500	2,500
Customer Services & HR	Senior Payroll specialist	1,500	2,150
IT	Java Developer	2,000	5,900
IT	Automation Tester	1,200	3,600
IT	IT Project Manager	2,200	5,000

Sources: <sup>1</sup>National Institute of Statistics & National Commission for Strategy and Prognosis, Oxford Economics F2022 data;  
<sup>2</sup>Antal, 2022; <sup>3</sup>National Institute of Statistics, 2020 data.



## Education Stats <sup>3</sup>



177,718

Higher education students



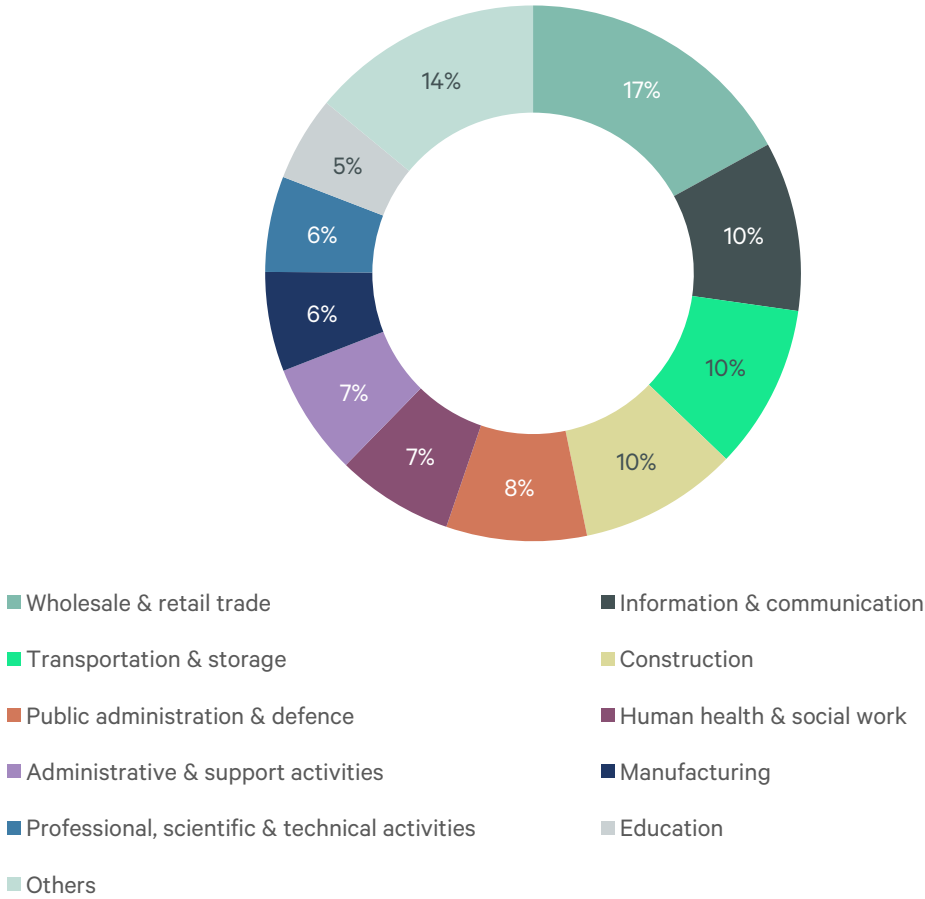
31

No. of universities (public and private)





Bucharest Workplace-based employment



Sources: Oxford Economics, F2022 data; CBRE Research, 2022.



Office Market News	Value
Modern Stock	3.30 mln. sq m in 11 office sub-markets
New Supply H1 2022	4 projects with a total GLA of 98,000 sq m
Pipeline* H2 2022 – 2023	135,300 sq m
Vacancy Rate	13.9% (class A and B)
Prime Rent	19.00 EUR/ sq m/ month
Prime Yield	6.75%
Total Leasing Activity	H1 2022 – 132,400 sq m
Take-Up	H1 2022 – 91,700 sq m

\*including under-construction office projects



Standard Lease Terms

Service charge: ranges between 3.00 – 4.50 EUR/ sq m/ month, open book system

Rent-free months:1 month rent free per each contractual year, depending on the lease length, the surface leased, the type of deal (pre-lease or lease) and other general contributions

Fit-Out contribution: ranges between 50 – 100 EUR/ sq m

Source: CBRE Research, Q2 2022

Office Rent & Vacancy Rate by Sub-market

Office sub-market	Vacancy rate	Headline rent EUR/ sq m/ month
CBD	10.6%	19.00
Center	8.1%	18.25
Center-west	15.0%	15.50
Floreasca / Barbu Vacarescu	10.9%	17.00
Dimitrie Pompeiu	14.5%	13.00
Pipera north	38.6%	11.00
North-west	16.9%	16.00
Baneasa – Otopeni	8.4%	14.00
East	8.9%	10.50
West	13.3%	13.00
South	6.9%	10.50
<b>TOTAL</b>	<b>13.9%</b>	

CBRE Research, Q2 2022





# Bucharest city – SWOT analysis

## Strengths

- Main economic & educational hub
- Low unemployment rate
- Most populous city
- Largest number of students
- Highly skilled workforce
- Developed public transportation & infrastructure

## Opportunities

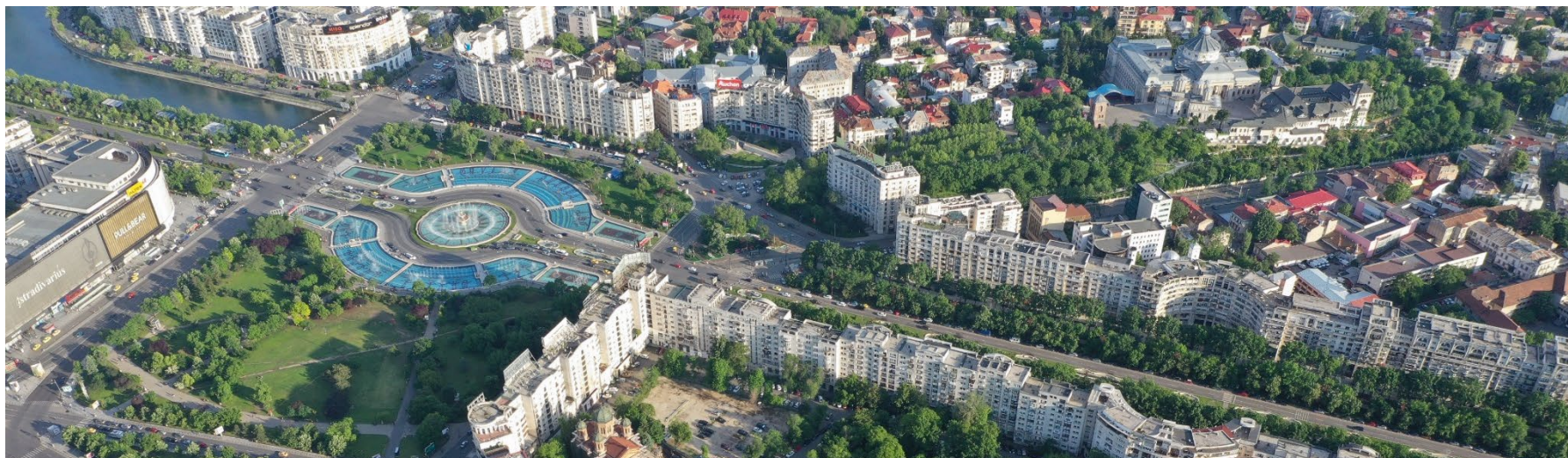
- First option for new-entries
- Early stage of mixed-use schemes developments based on work-life integration
- Growing residential & retail markets

## Weaknesses

- Heavy traffic at peak hours
- Delayed infrastructure and public transportation works

## Threats

- Low vacancy rates
- Competition from main regional cities
- Regional modern office stock on the rise
- Challenging talent acquisition
- Limited pipeline projects to be delivered by the end of 2023





02

# Cluj-Napoca

One of the main regional cities in Romania, heart of the Transylvanian historical region, Cluj-Napoca is among the most important cultural, academic and economic centres of the country.



# Info sheet – Cluj-Napoca

## County Stats <sup>1</sup>

740,020

Population, by domicile

2.1%

Unemployment  
Rate

5.8%

GDP real  
growth yoy

19,154

GDP per capita  
(EUR)

934

Average net  
monthly wage  
(EUR)

## Average Wage <sup>2</sup>

Sector	Role	Monthly Gross Salary min (EUR)	Monthly Gross Salary max (EUR)
F&A	GL senior accountant	1,500	2,100
F&A	AP/AR senior accountant	1,200	1,700
Customer Services & HR	CS specialist CS team leader	1,410	2,350
Customer Services & HR	Senior Payroll specialist	1,405	1,910
IT	Java Developer	2,000	5,900
IT	Automation Tester	1,100	3,550
IT	IT Project Manager	2,100	4,500

Sources: <sup>1</sup>National Institute of Statistics & National Commission for Strategy and Prognosis, Oxford Economics F2022 data;

<sup>2</sup>Antal, 2022; <sup>3</sup>National Institute of Statistics, 2020 data.



## Education Stats <sup>3</sup>



72,786

Higher education  
students

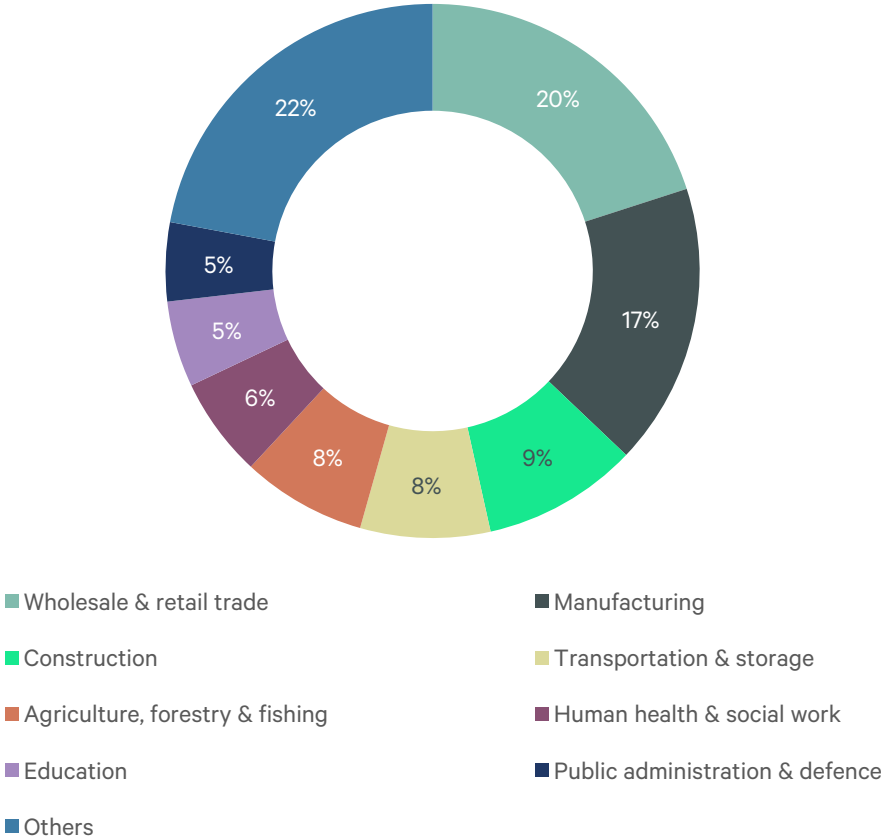


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No. of universities  
(public and private)



Cluj-Napoca Workplace-based employment



Sources: Oxford Economics, F2022 data; CBRE Research, 2022



Office Market News	Value
Modern Stock	350,000 sq m
Pipeline H2 2022-2023*	55,000 sq m
Vacancy Rate	8% (class A and B)
Prime Rent	15.50 EUR/ sq m/ month
Prime Yield	8.00%
Total Leasing Activity	H1 2022 – 2,700 sq m
Take-Up	H1 2022 – 2,700 sq m

\*Including under-construction and planned office projects



Standard Lease Terms

- Service charge – ranges between 2.00 – 4.00 EUR/ sq m/ month, open book system
- Rent-free months – 3-5 rent free months for the entire contractual period, depending on the lease length, the surface leased, the type of deal (pre-lease or lease) and other general contributions
- Fit-out contribution – ranges between 30 – 80 EUR/ sq m

Source: CBRE Research, Q2 2022

# Cluj-Napoca city – SWOT analysis

## Strengths

- Economic & cultural main regional city
- University city with numerous students
- Romania's second IT hub that attracts both national and international companies
- Qualified workforce
- Low unemployment rate
- Involved public authorities
- Developed public transportation & infrastructure

## Opportunities

- Most sought after regional city
- Availability for new investments & developments
- Booming residential market

## Weaknesses

- Among the highest real estate prices in the country

## Threats

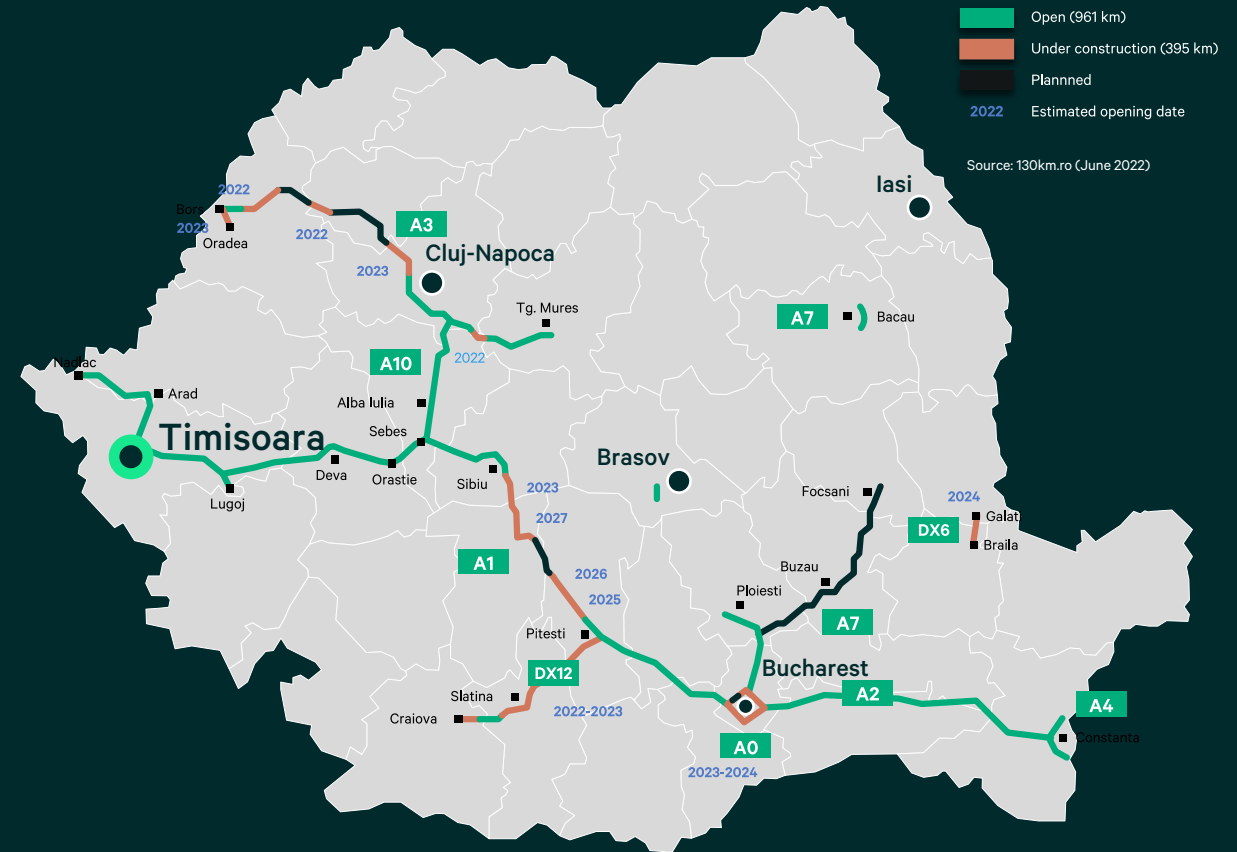
- Growing competition from other regional cities
- Difficulty to attract and retain highly skilled workforce



03

# Timisoara

Main regional city in the Western part of Romania laying on Bega river banks, Timisoara is an important commercial, industrial and educational centre and is known as the heart of Banat historical region.





# Info sheet – Timisoara

## County Stats <sup>1</sup>

760,259

Population, by domicile

1.8%

Unemployment  
Rate

5.0%

GDP real  
growth yoy

17,440

GDP per capita  
(EUR)

903

Average net  
monthly wage  
(EUR)

## Average Wage <sup>2</sup>

Sector	Role	Monthly Gross Salary min (EUR)	Monthly Gross Salary max (EUR)
F&A	GL senior accountant	1,350	1,890
F&A	AP/AR senior accountant	1,050	1,450
Customer Services & HR	CS specialist CS team leader	1,250	2,175
Customer Services & HR	Senior Payroll specialist	1,250	1,700
IT	Java Developer	1,850	5,500
IT	Automation Tester	1,050	3,500
IT	IT Project Manager	1,850	4,200

Sources: <sup>1</sup>National Institute of Statistics & National Commission for Strategy and Prognosis, Oxford Economics F2022 data;

<sup>2</sup>Antal, 2022; <sup>3</sup>National Institute of Statistics, 2020 data.



## Education Stats <sup>3</sup>



44,021

Higher education  
students

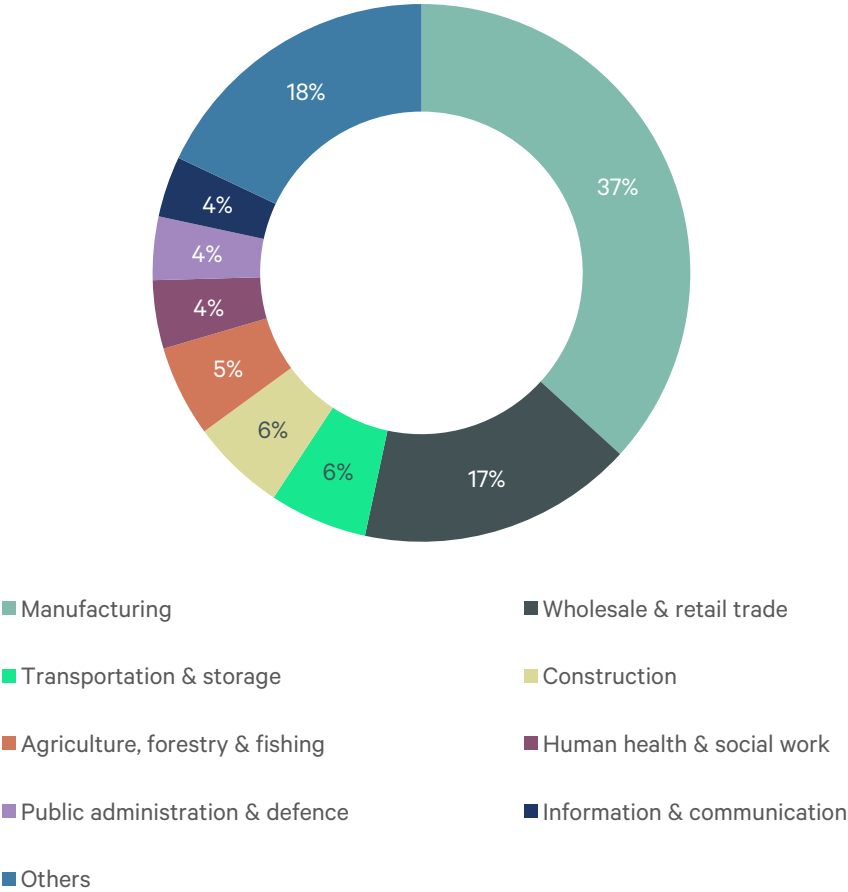


7

No. of universities  
(public and private)



Timisoara Workplace-based employment



Sources: Oxford Economics, F2022 data; CBRE Research, 2022.

Office Market News	Value
Modern Stock	294,000 sq m
Pipeline H2 2022-2023*	40,000 sq m
Vacancy Rate	15% (class A and B)
Prime Rent	14.50 EUR/ sq m/ month
Prime Yield	8.50%
Total Leasing Activity	H1 2022 – 19,600 sq m
Take-Up	H1 2022 – 13,600 sq m

\*Including under-construction and planned office projects



Standard Lease Terms

- Service charge – ranges between 2.00 – 4.00 EUR/ sq m/ month, open book system
- Rent-free months – 3-5 rent free months for the entire contractual period, depending on the lease length, the surface leased, the type of deal (pre-lease or lease) and other general contributions
- Fit-out contribution – ranges between 30 – 80 EUR/ sq m

Source: CBRE Research, Q2 2022



# Timisoara city – SWOT analysis

## Strengths

- Convenient location near Hungary & Serbia state borders
- Good road connectivity
- Ethnic diversity
- Country's South- western university hub

## Opportunities

- Potential for new developments
- Residential market on the rise
- Expanding modern retail stock

## Weaknesses

- Real estate prices started to pick-up

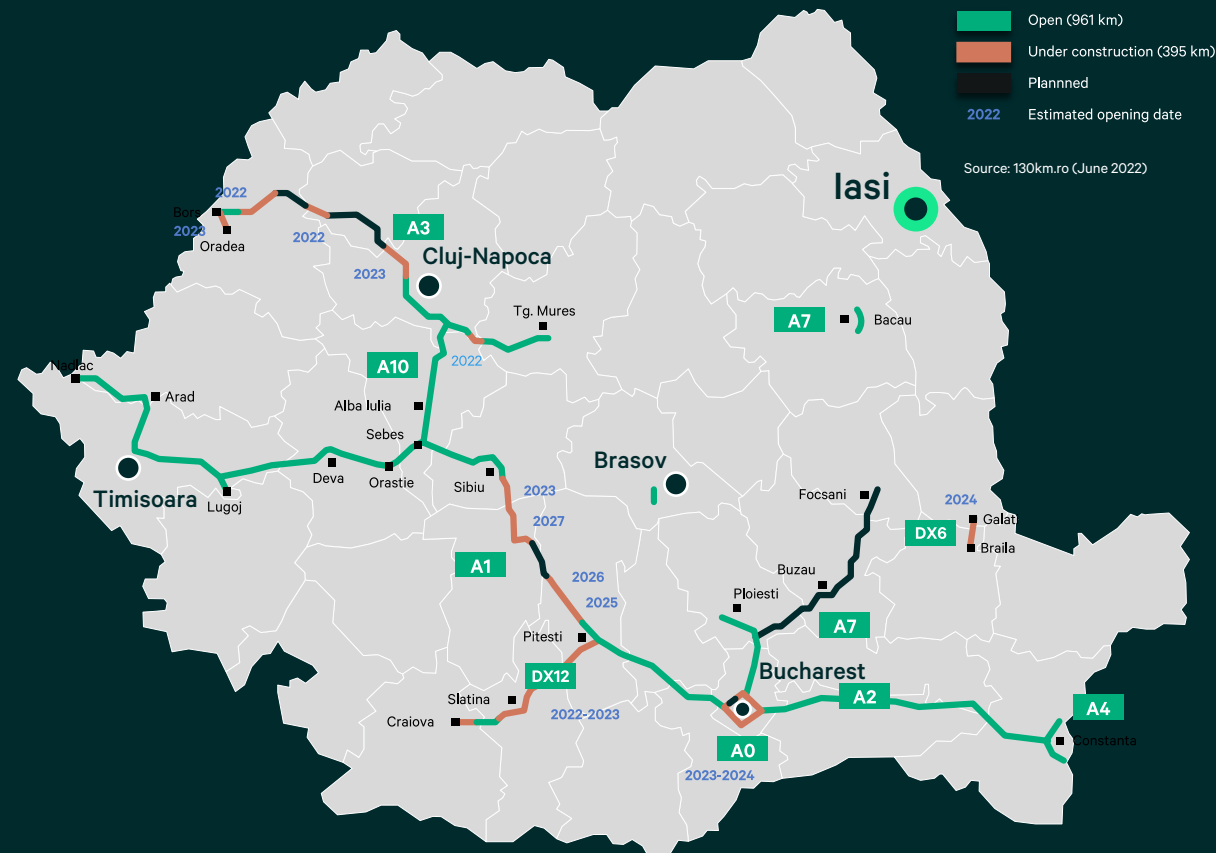
## Threats

- Mainly a second choice after the capital city
- Increasing competition estimated to be delivered on the short to medium term



# Iasi

The second largest city in Romania by number of inhabitants, Iasi is the main regional city in the North – eastern part of the country, in Moldavia historical region. Hosting the first Romanian university, the city easily became a prestigious centre of Romanian cultural and academic life.





# Info sheet – Iasi

## County Stats <sup>1</sup>

980,865

Population, by domicile

2.4%

Unemployment Rate

5.2%

GDP real growth yoy

11,115

GDP per capita (EUR)

767

Average net monthly wage (EUR)

## Average Wage <sup>2</sup>

Sector	Role	Monthly Gross Salary min (EUR)	Monthly Gross Salary max (EUR)
F&A	GL senior accountant	1,200	1,700
F&A	AP/AR senior accountant	900	1,260
Customer Services & HR	CS specialist CS team leader	1,150	2,050
Customer Services & HR	Senior Payroll specialist	1,150	1,581
IT	Java Developer	1,800	5,350
IT	Automation Tester	1,050	3,500
IT	IT Project Manager	1,700	3,950

Sources: <sup>1</sup>National Institute of Statistics & National Commission for Strategy and Prognosis, Oxford Economics F2022 data;

<sup>2</sup>Antal, 2022; <sup>3</sup>National Institute of Statistics, 2020 data.



## Education Stats <sup>3</sup>



56,889

Higher education students

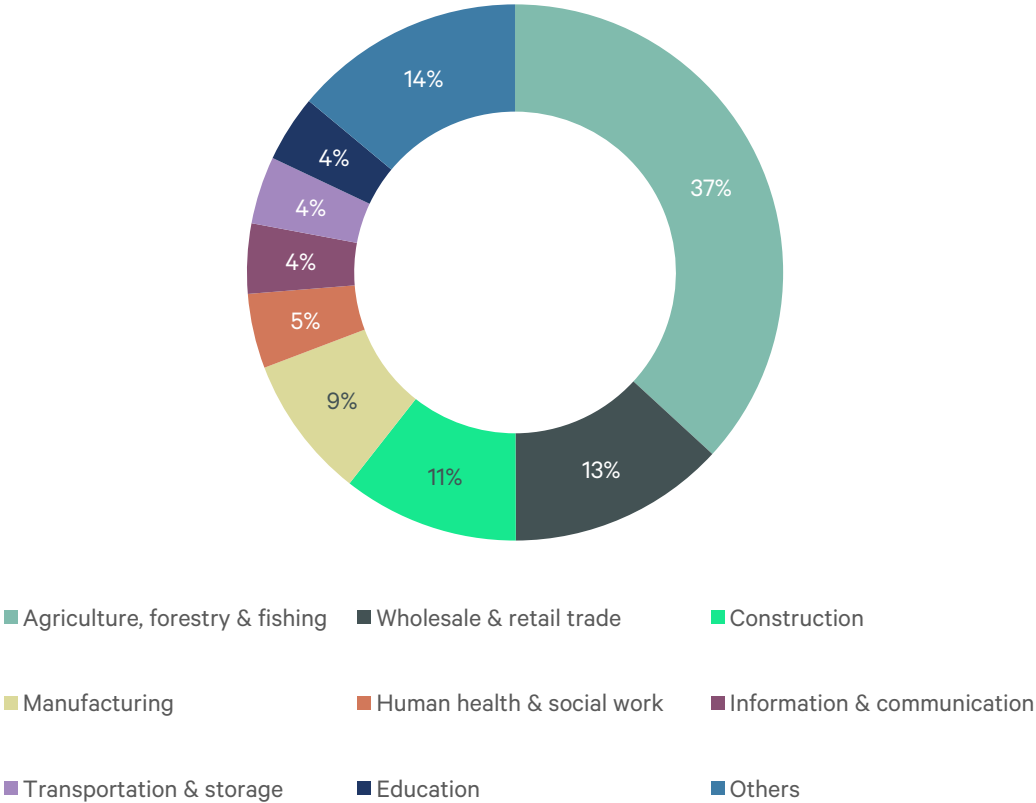


7

No. of universities (public and private)



Iasi Workplace-based employment



Sources: Oxford Economics, F2022 data; CBRE Research, 2022.



Office Market News	Value
Modern Stock	205,000 sq m
Pipeline H2 2022-2023*	80,000 sq m
Vacancy Rate	8% (class A and B)
Prime Rent	15 EUR/ sq m/ month
Prime Yield	8.50%
Total Leasing Activity	H1 2022 – 10,500 sq m
Take-Up	H1 2022 – 10,500 sq m

\*Including under-construction and planned office projects



Standard Lease Terms

Service charge – ranges between 2.00 – 4.00 EUR/ sq m/ month, open book system

Rent-free months – 3-5 rent free months for the entire contractual period, depending on the lease length, the surface leased, the type of deal (pre-lease or lease) and other general contributions

Fit-out contribution – ranges between 30 – 80 EUR/ sq m

Source: CBRE Research, Q2 2022

# Iasi city – SWOT analysis

## Strengths

- Cultural and academic hub in the North – eastern part of the country
- Second most populous city in the country
- Consistent inflow of young people

## Opportunities

- Great potential for future office schemes
- Proximity to Republic of Moldavia
- Residential and retail market on an upward trend

## Weaknesses

- Under – developed infrastructure linking the city with Bucharest and other main regional hubs

## Threats

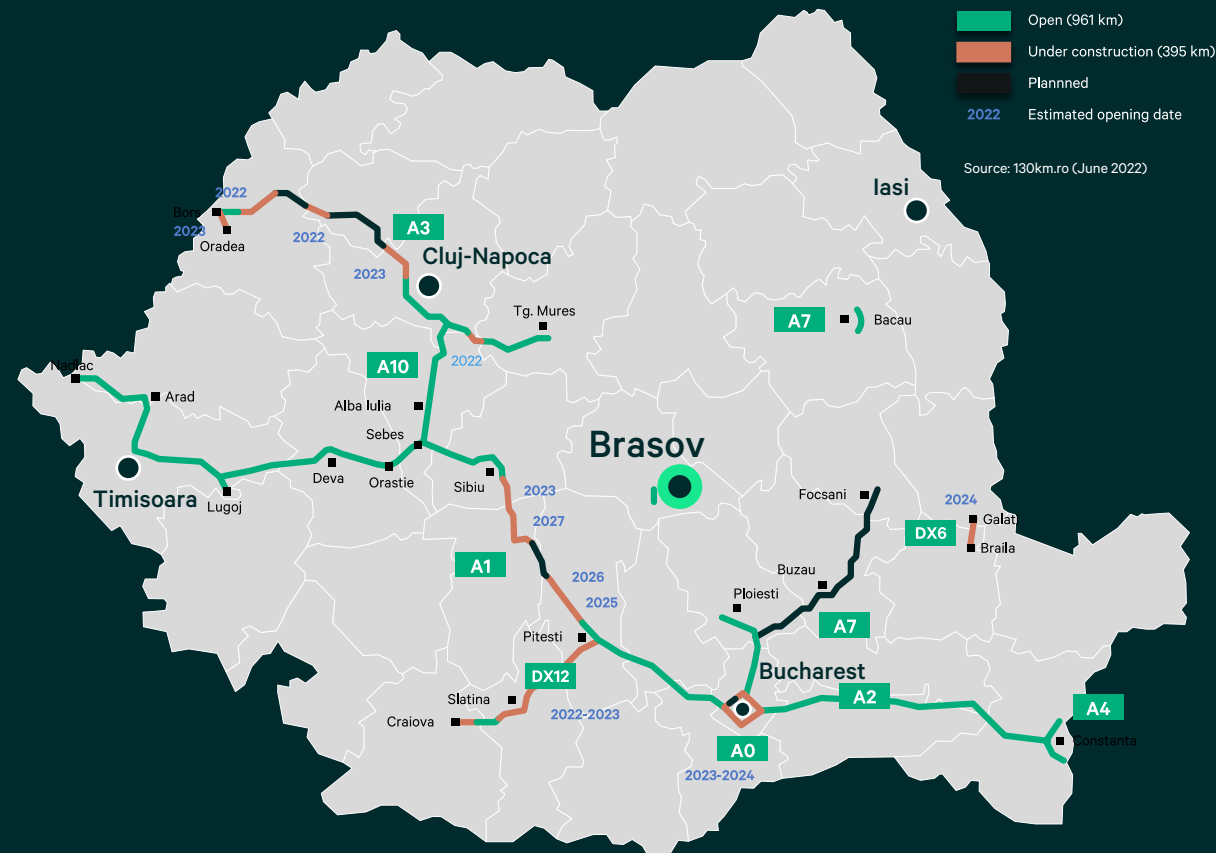
- Limited new supply to be delivered on the short to medium term



05

# Brasov

In the heart of Romania and part of Transylvania historical region, Brasov is an important economic, cultural and touristic city at only approximately 180 km from Bucharest.





# Info sheet – Brasov

## County Stats <sup>1</sup>

638,407	10.5%	4.5%	16,366	729
Population, by domicile	Unemployment Rate	GDP real growth yoy	GDP per capita (EUR)	Average net monthly wage (EUR)

## Average Wage <sup>2</sup>

Sector	Role	Monthly Gross Salary min (EUR)	Monthly Gross Salary max (EUR)
F&A	GL senior accountant	1,100	1,580
F&A	AP/AR senior accountant	800	1,140
Customer Services & HR	CS specialist CS team leader	1,095	1,950
Customer Services & HR	Senior Payroll specialist	1,055	1,502
IT	Java Developer	1,850	5,400
IT	Automation Tester	1,050	3,450
IT	IT Project Manager	1,650	3,850

Sources: <sup>1</sup>National Institute of Statistics & National Commission for Strategy and Prognosis, Oxford Economics F2022 data;  
<sup>2</sup>Antal, 2022; <sup>3</sup>National Institute of Statistics, 2020 data.

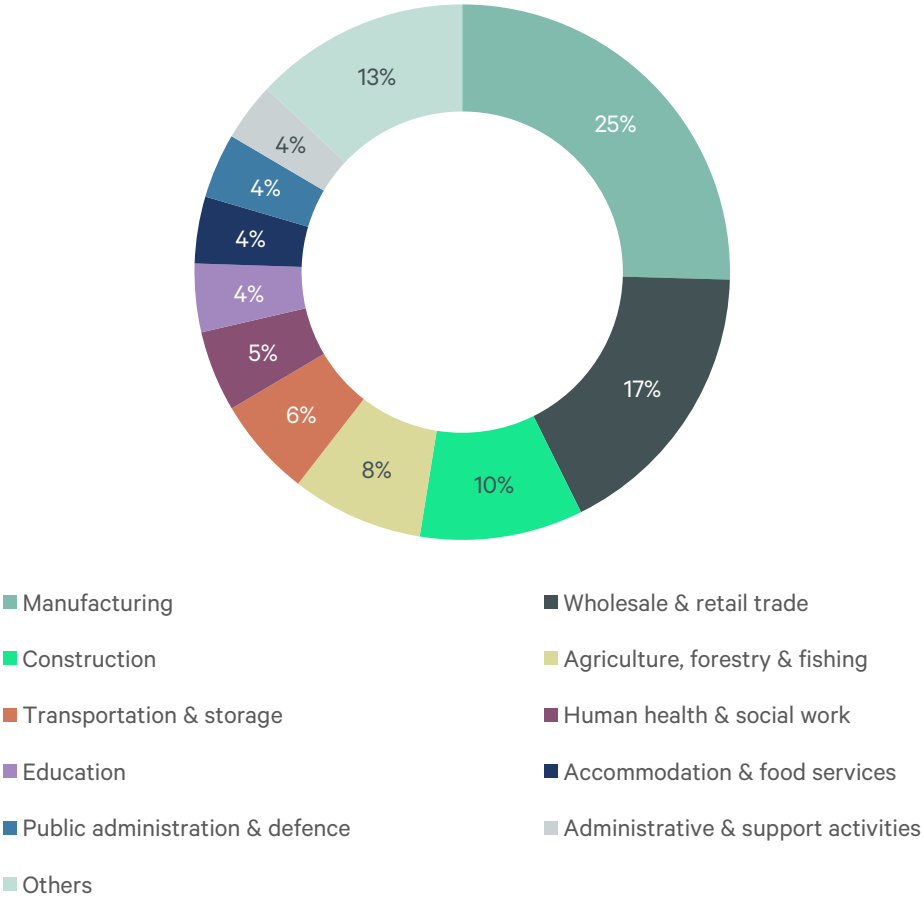


## Education Stats <sup>3</sup>

	22,532		2
Higher education students		No. of universities (public and private)	



Brasov Workplace-based employment



Sources: Oxford Economics, F2022 data; CBRE Research, 2022.

Office Market News	Value
Modern Stock	155,000 sq m
Pipeline H2 2022-2023*	25,000 sq m
Vacancy Rate	13.7% (class A and B)
Prime Rent	13 EUR/ sq m/ month
Prime Yield	8.5%
Total Leasing Activity	H1 2022 – 1,500 sq m
Take-Up	H1 2022 – 1,500 sq m

\*Including under-construction and planned office projects



Standard Lease Terms

- Service charge – ranges between 2.00 – 3.50 EUR/ sq m/ month, open book system
- Rent-free months – 3-5 rent free months for the entire contractual period, depending on the lease length, the surface leased, the type of deal (pre-lease or lease) and other general contributions
- Fit-out contribution – ranges between 30 – 80 EUR/ sq m

Source: CBRE Research, Q2 2022



# Brasov city – SWOT analysis

## Strengths

- Touristic destination
- Distance to Bucharest that can be covered in approx. 3 hours by car
- Well-developed infrastructure
- Good railway and road connections to all four cardinal points of the country

## Opportunities

- Numerous English and German speakers
- Constant developing of the retail market
- Great potential for new developments

## Weaknesses

- Non-functional airport
- High real estate prices

## Threats

- Limited existing office stock



# Methodology

## Prime Rent

Prime Rent represents the top open-market tier of rent that could be expected for a unit of standard size commensurate with demand in each location, of the highest quality and specification and in the best location in a market at the survey date.

## Take-up

Take-up represents the total floor space, excluding renewals, known to have been let, sub-let or pre-let to tenants or owner-occupiers during the survey period.

## Total Leasing Activity (TLA)

Total Leasing Activity (TLA) represents the total floor space, including renewals, known to have been let, sub-let or pre-let to tenants or owner-occupiers during the survey period.

## Vacancy Rate

Vacancy Rate represents the percentage ratio of total vacant space to stock.

## Total Stock

Total Stock represents the total completed office space (occupied and vacant).

## Total Modern Office Stock

Total Modern Office Stock represents the total completed class A and B office space (occupied and vacant). Starting with Q3 2020 CBRE Romania revised Bucharest office modern stock. As per the new criteria, the modern office stock in Bucharest comprises class A and B office buildings with gross leasable areas above 2,000 sq m, delivered or fully refurbished after the year 2000 and that are not owner occupied. Moreover, the market was reshaped and further segmented



in eleven sub-markets according to the new developments areas. The revision was discussed at the Bucharest Research Forum and implemented by the main international real estate companies present in Romania.

## Prime Yield

Prime Yield represents the yield that an investor would receive when acquiring a grade/class A building in a prime location (for offices in the CBD, for example), which is fully let at current market value rents.

Prime Yield should reflect the level at which relevant transactions are being completed in the market at the time but need not be exactly identical to any of them, particularly if deal flow is very limited or made up of unusual one-off deals. If there are no relevant transactions during the survey period a hypothetical yield should be quoted, and is not a calculation based on particular transactions, but it is an expert opinion formed in the light of market conditions, but the same criteria on building location and specification still apply.



## Explore CBRE's Research Trilogy – “Romania Destinations”

Gain in-depth information about regions and cities of the country from the commercial real estate perspective.

“

Romania has become a very attractive market for foreign retail companies interested in leasing large areas, often above 1,500-2,000 sq m. Moreover, local retailers plan to expand their business by opening new stores in commercial centres, indicating a great appetite for renting retail spaces.

[Carmen Ravon](#)

Head of Retail Occupiers CEE region  
CBRE

”

Romania is an attractive market for international retailers, with numerous advantages, such as increased purchasing power, [#retail](#) spending (11% in [#Romania](#), which places our country second after Poland in the CEE region), considerable interest in new brands, an educated workforce, and very low vacancy rate (below 3%). But how is this attractiveness distributed across cities?

Get retail market figures, strengths, and opportunities for the country's main cities from our latest report:

[Romania Retail Destinations 2022.](#)

“

2022 is as well an excellent year for the industrial property market in Romania, considering the high rates of pre-leased spaces under construction in almost all regions of the country, with a high absorption rate in the western and central regions.

[Victor Rachita](#)

Head of Industrial & Logistics  
CBRE Romania

”

The increased demand for industrial spaces is maintained, being a representative trend of the last years. Romania ranks third in the Central and Eastern Europe, after Poland and the Czech Republic, in terms of industrial spaces modern stock. It is a privileged position because it puts the country in the forefront of developers and tenants.

Get [industrial](#) and [logistics](#) market figures and trends for all regions of the country from our latest report:

[Romania industrial Destinations 2022.](#)

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### OFFICE DESTINATIONS

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