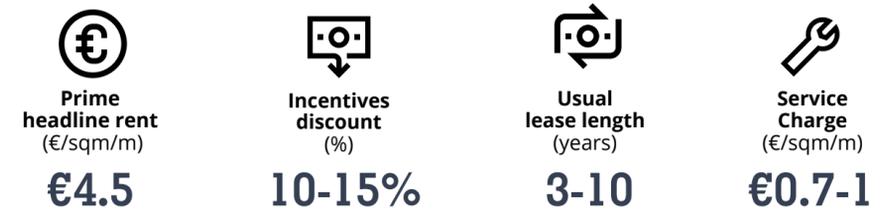




## Occupancy costs

The rents remained stable since the last quarter, however, they are on a slight ascending trend. Inflation and especially increase in construction costs are putting upward pressure on the rents. Standard lease length for logistic activities is around 3 - 5 years, for production between 5 - 10 years, and for built-to-suit units around 7 - 10 years.



## Industrial stock and pipeline

With 800,000 sqm of modern industrial stock already delivered in the first three quarters of 2023, and still a remaining pipeline for Q4, 2023 will be a historic record year in terms of deliveries. Around 120,000 sqm were delivered in the third quarter, and the total modern industrial stock in Romania currently exceeds 7.3M sqm. 44% of the deliveries in the first three quarters occurred in Bucharest area, followed by Oradea (11%), Brasov (10%) and Timisoara (9%).

Modern industrial stock evolution (sqm)

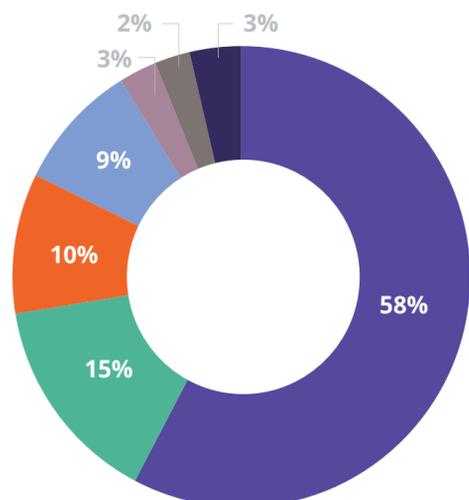


## Industrial demand

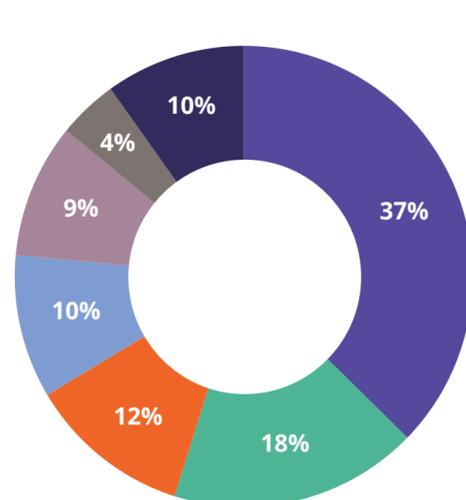
After two first very strong quarters in 2023, with ~315,000 sqm and ~235,000 sqm transacted, there was a slight slow down of activity with ~155,000 sqm leased in the third quarter. The record of 1.2M million sqm of gross take-up in 2022 will probably stand. Accordingly, the gross take-up in the first three quarters of 2023 amounts to over 700,000 sqm.

Same as in our mid-year review report, in the third quarter, the business sectors generating most demand were logistics (37%, compared to 34% at mid-year), automotive (18%, compared to 22% at mid-year), and pharma and medical (12%, compared to 10% at mid-year).

Gross take-up by geography in Q3 2023



Gross take-up by business sector in Q3 2023



- |   |  |  |  |
|---|--|--|--|
|  Bucharest |  Bacau  |  Logistics  |  IT&C&Electronics |
|  Pitesti   |  Brasov |  Automotive |  Packaging        |
|  Timisoara |  Others |  Pharma     |  Others           |
|  Arad      |  |  FMCG       |  |

## Highways and regional industrial and logistics hubs, Romania



## For more information please contact our industrial team:

**David Canta**  
Principal  
Romania & Czech Rep.  
david.canta@avisonyoung.com  
+40 727 737 893

**Mihai Berbec**  
Senior Consultant,  
Industrial Agency, Romania  
mihai.berbec@avisonyoung.com  
+40 740 229 606

**Eduard Bancila**  
Consultant,  
Industrial Agency, Romania  
eduard.bancila@avisonyoung.com  
+40 723 700 170

**Levis Vlad**  
Head of Research,  
Romania  
levis.vlad@avisonyoung.com  
+40 744 333 631

**Andrei Kivu**  
Senior Data Analyst,  
Research, Romania  
andrei.kivu@avisonyoung.com  
+40 744 481 955

 For the latest updates, visit us on LinkedIn!